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NEWS SUMMARY

GENERAL

Riots as Bhutto hanged in secret

At least three people were killed when guards at a U.N. building in Kashmir fired on a crowd demonstrating against the hanging of former Pakistan Premier Zulfikar Ali Bhutto.

The execution, which took place in great secrecy in Rawalpindi jail, also sparked riots in the city and in New Delhi, and brought condemnation from leaders around the world.

General Zia-Ul-Haq sealed the former Premier's fate by rejecting a mercy plea on his behalf. *Bhutto died protesting his* innocence of the murder he allegedly ordered while in power. Back Page; Bhutto legacy, Page 4; Editorial comment, Page 24

Hull verdicts

Eight Hull prison officers were found guilty of conspiracy to assault prisoners after a 12-week trial, but the jail's assistant governor at the time of a three-day riot in 1976 was found not guilty of neglect of duty. Four other officers were also acquitted.

Kampala move

The Tanzanian-backed invasion force in Uganda continued its steady encirclement of the capital Kampala, taking control of the road to Entebbe airport.

N-plant charges

U.S. scientists accused James Schlesinger, Energy Secretary, of taking part in a cover-up of safety difficulties at nuclear power plants. But companies operating the contaminated Harrisburg plant accused the Nuclear Regulatory Commission of overstating the danger at the plant.

Two freed

Two men who alleged they had been victims of a "massive fabrication of evidence" by police were freed from Brighton prison, where they spent the past 18 months awaiting trial on robbery and firearms charges. Two police officers involved in the case have been suspended.

Greece treaty

Greece's treaty of accession to the Common Market will be signed in Athens on May 28, paving the way for its admission as the tenth member of the Community on January 1, 1981. Back Page; Editorial comment, Page 24

Portugal crisis

Portugal's second largest party, the centre-right Social Democrat Party, is facing a major crisis *following* the mass resignation of 36 of its 73 parliamentary deputies.

Police shooting

Sydney police shot a man who threatened to light a beer can full of explosives aboard a Jumbo jet. The man, who wanted to be flown to Italy for a Papal audience, died in hospital.

On the hop

Motorists in mid-Wales will be coming across road signs urging them to slow down for hundreds of toads migrating in their mating season.

Briefly . . .

Jane Byrne, a 44-year-old former debutante, has become Chicago's first woman mayor. Page 4

Triplets born to an Arab woman near Tel Aviv have been named Begin, Carter and Sadat.

Postal bomb which exploded at Frankfurt Airport, injuring ten, was bound for Israel, police said. Page 3

President of Sudan and his wife are holidaying in a Liverpool hotel.

BUSINESS

Interest rate hits Gilts; £ up again

● GILTS suffered sizeable falls ranging from a point in longer-dated issues to ½ in shorts on the absence of a cut in Minimum Lending Rate. Late bear-covering tended to pare the losses.

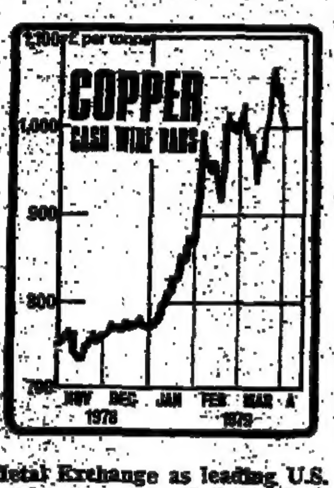
● EQUITIES were easier. The FT 30-share index closed 1.5 down at 523.8.

● STERLING rose 10 points to $2.0670. Its trade-weighted index edged up to 66.5 (66.4). The dollar's rose to 85.5 (85.4).

● GOLD lost $1¼ to $239¼ in London.

● WALL STREET was up 5.72 at 874.05 shortly before the close.

● COPPER PRICES fell below *£1,000 a tonne on the London*



Metal Exchange as leading U.S. producers cut their prices. Page 35

Talisman costs cut

● STOCK EXCHANGE has cut the real price members will have to pay for Talisman, the new computerised settlement system, when it is introduced. Page 6

● HOUSE PRICES rose by about 5 per cent in the first quarter according to the Nationwide Building Society and in the last year have risen on average by 27 per cent. Page 7

● ICI has warned that it may have to start closing plants at Wilton on Teesside next month due to a shortage of skilled artificers. Page 6

● THOMSON family bid for a majority holding in Canada's Hudson's Bay Company worth C$35 a share has been extended until April 12. Page 30

● FRANCE has adopted a Frs5.8bn (£640m) package to stimulate investment and counteract the latest oil price rise.

● IRAN has resumed delivery of natural gas by pipeline to the USSR after a three-month break. Page 5

● JAPANESE oil refineries are expected to suffer losses as a result of the recent OPEC oil price rise, because they are unable to recoup the cost fully by price rises. Page 32

LABOUR

● *TWO MORE* Civil Service unions have rejected the Government's "final" offer of a 9 per cent pay increase. Page 8

COMPANIES

● SNIA VISCOSA, the Italian fibres group, reported a loss last year of L79.2bn (£45.5m) against L47bn (£27m) previously. Page 31

● SUN ALLIANCE and London Insurance Group pre-tax profits rose by 3 per cent in 1978 to £59.5m (£57.7m) despite a loss on underwriting. Page 26 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Bambers	256	+ 6
Bridon	139	+ 13
Callender (G. M.)	23½	+ 3½
Cape Inds.	169	+ 8
Coral (J.)	128	+ 4
Harris Queensway	240	+ 8
Hunting Gibson	172	+ 5
Ladbroke	226	+ 10
Man. Agcy. & Music	158	+ 5
Norfolk Capital	55xr	+ 7
Phoenix Timber	153	+ 8
Scot. & New. Brews.	69½	+ 2½
Sheffield Brick	60	+ 4
Sun Alliance	580	+ 9
Premier Cons.	28½	+ 4
Transvaal Cons. Ld.	£18½	+ 1½
FALLS		
Exch. 10% 1983	£96⅝	− ½
Exch. 12½% 1999	£47⅞	− 1½
Beecham	702	− 8
Common Bros.	212	− 8
English China Clays	92	− 3
Eurotherm	313	− 7
Glaxo	570	− 13
GKN	254	− 7
Halstead (J.)	40	− 3
Harrison & Sons	66	− 4
Highland Distilleries	96	− 3
Kode Int.	220	− 8
Martin (R. P.)	44	− 6
Peters Stores	47	− 4
Phoenix Assurance	278	− 10
Savoy A	94	− 4
Walker (J.)	128	− 12
Blantyre	140	− 10
Bougainville	129	− 6
Impala Plat.	174	− 6
MIM Hldgs.	211	− 6
Union Corp.	326	− 6

Britain loses £40m micro-chip plant to Irish Republic

BY RAY PERMAN AND JOHN LLOYD

Britain has lost to the Irish Republic a £40m micro-chip plant which will provide 1,100 jobs within three years and introduce new U.S. technology to Europe.

The formal announcement will be made in New York on Monday jointly by the Irish Industrial Development Agency and Mostek, the Dallas-based semi-conductor manufacturer, which is one of the leading microelectronic companies in the U.S.

The company hopes to begin operations soon in a ready-built factory at Cherry Orchard, a suburb of Dublin, testing micro-processors shipped from its Texas plant.

Involved

But within two years, it intends to open a 100,000 square feet factory on a 50-acre site at Blanchardstown, assembling integrated circuits, and by 1982 will have opened a second factory of the same size engaged in silicon wafer fabrication.

The Irish agency and the Glasgow-based Scottish Development Agency have been involved in fiercely competitive bidding to secure the development.

Mostek was impressed by the high level of research work in Scotland and had indicated that it would consider establishing its own research and development unit there—something it is not contemplating in Ireland.

But it was persuaded to go to Ireland by the more attractive financial package offered by the Irish agency, and the opposition shown by the UK Department of Industry.

The Irish have been able to offer development grants of up to 50 per cent on capital spending and to guarantee that profits on exports will be exempted from all taxes until 1990.

The Scottish agency stretched its own guidelines to offer competitive financial incentives and was prepared to put up risk capital in exchange for a majority of non-voting shares in Mostek's UK subsidiary. These would have been redeemable in five years at a premium less than the equivalent commercial rates of interest.

The package would have amounted to £12m, but there were objections from the Department of Industry, which refused 22 per cent development grants — usually considered automatic on incoming investment — on the grounds that the first phase of the Mostek development was not manufacturing.

Influence

The Scottish Development Agency said last night that it was extremely disappointed, because it believed that Mostek's lead could influence other U.S. electronics companies to go to Ireland.

In two weeks, the agency is to undertake a five-city tour of the U.S. to promote Scotland as a location for investment. It *will concentrate on areas where* electronics companies are based, particularly the West Coast.

News Analysis, Page 7

Common Market moves nearer GATT package

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT IN BRUSSELS

THE EEC has taken a further step towards completion of the GATT multilateral trade negotiations, which are intended to provide a fairer and more liberal framework for world trade extending well into the 1980s.

Eight of the nine EEC Governments said in Luxembourg yesterday that they were prepared to initial next *Wednesday the outline package* of agreements in the talks, even though the concessions obtained by the Community from its trading partners did not go as far as they had hoped.

Italy is still withholding her formal approval because she remains dissatisfied with several elements of the deal, involving notably treatment of woollen textiles, kraftliner packaging material, ceramics and table grapes.

Mr. Roy Jenkins, President of the European Commission, said that he hoped Italy would give her assent in the next few days. But if she failed to do so the Commission might have to return to the negotiating table to seek some improvements.

It is hoped that once the EEC has initialled the draft agreements President Carter will ask Congress to approve them formally. The Community has *said that it will not give the* package its final and binding approval until after Congress has acted.

Although the EEC has agreed on the broad terms of a reciprocal deal with the U.S. it is still striving to reach agreement on a number of important issues with other countries, particularly from the developing world.

The most difficult problem outstanding arises from EEC demands for a change in the GATT safeguards code which would allow it to impose restrictions on disruptive exports from individual countries, instead of having to apply across-the-board curbs to all trade partners as at present.

Herr Wilhelm Haferkamp, the *External Affairs Commissioner*, said that he still hoped for agreement on this point. But if none was achieved the EEC might have to consider selective curbs on exports from individual countries in the future.

Such a possibility was clearly hinted at in a recent Commission working paper which suggested that the EEC might retaliate against Japanese exports later this year unless Japan did more to reduce her trade surplus with the Community.

The planned GATT package would require developed countries to cut their industrial tariffs by between 25 and 30 per cent. The cuts would be phased over eight years from 1980, though the process could be halted after five years if world economic conditions were considered too unfavourable to continue.

The proposed agreement would involve new moves to liberalise world trade in agricultural products and establishment of a dozen codes covering such areas as Government procurement policies, subsidies and Customs valuation.

U.S. law, which differs from GATT rules in several *important* respects, would be aligned with them.

Our Industrial staff write: Among the most important concessions agreed by the EEC are *reductions in* the duty on food carton board from the present 12 per cent to 8 per cent and a reduction on the duty on kraft liner from 8 per cent to 6 per cent, phased over eight years.

Mr. John Adams, director-general of the British Paper and Board Industry Federation,

Continued on Back Page

Imported car sales up to 55%

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

IMPORTED cars took a record 55 per cent of the UK market in March.

New registrations, at about 185,000, were at record levels, more than 3 per cent above the March 1978 total of 179,233 cars which in turn represented a 45 per cent jump on the same month the previous year.

According to figures circulating within the industry Ford had another good month, taking about 28 per cent.

BL recovered from a poor February to a market share of about 21.5 per cent in March.

Renault's rapid advance to a 6.7 per cent share gave it top place among the traditional importers. Ford remained the main "captive" importer with *roughly half its new cars regis*tered last month coming from overseas assembly plants.

Datsun's market penetration dropped below 5 per cent in March. Not only has it been short of cars this year because of voluntary shipment restrictions in Japan, but there are also indications that it plans an important model launch in *the UK before long and this* would have delayed some purchases.

Most importers have had difficulty finding the cars to match demand but Fiat, with a 4.6 per cent share in March, was among those which managed *to improve UK sales.*

The buoyancy of the market in March coupled with the high import content suggests that private buyers who held back during the bad weather of January and February made up for lost time last month.

As a result, new car sales in the first quarter of 1979 were about 471,600, not far below those for the same period in the record year, 1973, when they totalled 483,477.

BL Cars faces new strike threat, Back Page

Seamen win EEC backing on pay

By Our Shipping Correspondent

IMPORTANT SUPPORT for the international seamen's unions in their campaign for a global pay structure came yesterday from the EEC's Economic and Social Committee.

It voted 81-2, with 15 abstentions, in favour of Community legislation to harmonise pay and working conditions on ships from member states.

It also called for tough measures to get rid of sub-standard ships. These include the right of EEC inspectors to detain vessels and order instant repairs.

The committee called for laws to set out minimum technical and social standards, with the penalty of ships being refused access to Community ports.

Concern

The proposals are the result of 18 months of debate and investigation. Under EEC procedures they will now be considered by the Commission and by the Council of Transport Ministers.

The moves follow concern about the safety of ships, *especially flag of convenience* vessels, after a series of accidents in European waters.

The committee's opinion reflects the campaign by seamen's unions against flags of convenience. In its preamble, these flags are singled out for their association with poorly-trained crews.

The International Transport Workers' Federation has won an important battle in its campaign for a global pay structure which has involved frequent ship boycotts, such as that of the Globtik Venus in 1977.

Lowest

The opinion not only backs the principle of equality of pay and conditions on EEC ships, but also in effect supports the ITF practice of demanding back-pay "under supervision" following cases of infringement.

British shipowners can be expected to be particularly unhappy about this move as their *seamen are among the lowest* paid in the Community. Some grades are paid at below the ITF rates.

£ in New York

—	April 5	Previous
Spot	$2.0655-0665	$2.0680-0690
1 month	0.32-0.27 dis	0.26-0.21 dis
3 months	0.59-0.54 dis	0.68-0.63 dis
12 months	1.50-1.15 dis	1.40-1.25 dis

State yards to be allowed bigger losses

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

BRITISH SHIPBUILDERS will be permitted losses of £100m this year, twice the level of *1978-79, as part of the Govern*ment's efforts to save jobs in the industry.

Mr. Gerald Kaufman, the Industry Minister, said the *Government was refusing to* endorse specific targets for manpower reductions or yard closures in favour of a "step by step" approach.

He was making the Government's formal reply to British Shipbuilders' corporate plan, which preferred the option to reduce employment and capacity in merchant shipbuilding by 35 per cent by *1980-81 with* the loss of 12,300 jobs.

The Government, he said, was backing the Corporation's aim to retain a 3½ per cent share of world shipbuilding output and had a number of measures to achieve this aim. These were:

● A renewal of the Intervention Fund at £85m for the coming year to offset British Shipbuilders' lack of price competitiveness.

● An acceleration of orders for 17 ships from the public sector, with as many as possible being brought forward to this year.

● A loss limit for 1979-80 of £100m, compared with £45m for the year just ended, within a total cash limit of £250m for 1979-80.

● A switch from national loan funding to public dividend capital, but the Corporation would not be required to pay interest on this capital "in *present circumstances*."

● The home credit scheme for shipbuilding to be extended to shiprepair to cover ship conversions by UK owners.

● A slight improvement in redundancy payments for shipyard workers, raising the maximum earnings limit from £100 to £110 per week.

● Better credit terms for export of warships.

*Mr. Kaufman said it was im*possible to predict when British Shipbuilders would be able to meet the terms of its founding Act, "to secure an adequate return" on its capital.

He also indicated that his statement in March that the corporation's loss for last year

Continued on Back Page

Editorial comment, Page 24

State cash for Marathon rig, Back Page

Mr. Gerald Kaufman

Merchant banks plan U.S. pension fund deals

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

SEVERAL leading London merchant banks are planning to set up, or acquire, U.S. investment management companies with hope of sharing in an expected major outflow of U.S. pension fund cash to international capital markets.

The moves are in line with the recent acquisition by Baring Brothers of the Boston-based Endowment Management and Research fund management business. E. M. and R. manages funds valued at $1,250m (£600m), $250m of which come from Yale University. Barings concedes that one of its main reasons for acquiring the U.S. *fund management company is* the opportunity it provides to become involved in the international management of U.S. funds.

Other merchant banking groups considering action include Hill Samuel, Robert Fleming, Rothschilds, and Morgan Grenfell.

In most cases the most likely development is the formation of a U.S. investment management company which would be registered with the Securities and Exchange Commission. The other is to follow the route of Baring Brothers by acquiring an existing U.S. fund management concern. An announcement from Robert Fleming on its *plans is imminent.*

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Commission considers human rights move

By Margaret Van Hattem in Brussels

IN A MOVE to secure greater protection of individual human rights, the EEC Commission is considering accession to the European Convention on Human Rights.

At its weekly meeting yesterday, the Commission approved a Green Paper which proposed that the EEC accede to the Convention. It is suggested that this would give EEC citizens greater protection than they now get from purely national institutions.

All EEC member States, as members of the Council of Europe, have signed the Convention individually, although France still has reservations about the rights of individuals to get a court hearing.

Accession by the EEC would, it is suggested, enable individuals who failed to get satisfaction in national courts to appeal to the European Court of Justice. This would afford greater protection, for example, to French citizens.

It is also suggested that the move, following the declaration on democracy made at the EEC summit in Copenhagen a year ago, would further underwrite human rights in countries seeking membership, such as Greece, Spain and Portugal, which have only emerged from repressive regimes in recent years.

The European Convention on Human Rights, which came into force in 1953, guarantees basic rights and freedoms including the right to life, liberty, freedom from torture or degrading treatment, the right to a fair hearing in criminal charges and respect for privacy in domestic life and correspondence. Other fundamental rights guaranteed by the accord include the freedoms of expression, assembly and freedom from discrimination on grounds of language or religion.

Since 1953 about 8,000 cases have been brought invoking the Convention, of which almost 60 have been taken up by the Human Rights Commission, and about 30 referred to the Court of Human Rights.

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WEST GERMAN NUCLEAR CONTROVERSY

Bonn orders reactor safety report

BY ADRIAN DICKS IN BONN

THE West German Government, already beset by controversy over the future of the country's nuclear energy programme, announced yesterday that the nuclear power accident at Three Mile Island at Harrisburg in the U.S., has led it to order a "comprehensive and critical situation report" on safety arrangements at domestic reactors.

Yesterday's Cabinet meeting considered preliminary reports on the Harrisburg breakdown, which West German experts are already examining at first hand. No exactly similar reactors are in operation in West Germany, but one is under construction at Muelheim-Kaerlich.

Dr. Armin Gruenewald, the Government spokesman, said that the regulatory authorities had ordered a review of the project's cooling system as long ago as last November, and he made clear that no further phases of construction would be permitted until this had been carried out.

No official word has been released here of the content of the preliminary information passed on by U.S. investigators at Harrisburg. But senior West German nuclear experts were belived to be extremely concerned that a series of individual mishaps foreseen in safety planning "scenarios" had coincided in a manner that had apparently not been considered possible.

While both scientists and ministers will wish to wait for more precise information about the Three Mile Island accident before they take any further action, the safety review now ordered is bound to be seen as something of a concession towards the powerful and increasingly confident anti-nuclear lobby here.

From a political point of view, the accident could scarcely have happened at a more embarrassing time for the West German Government. It coincided with the winding up of the public hearings in Hanover on Bonn's plan to build a fuel reprocessing facility at Gorleben, on the East German border, with an associated final disposal site for high-level radioactive wastes in subterranean salt domes.

Under great pressure from opponents of nuclear power within their own ranks, the coalition parties have long agreed that the Gorleben project is the essential pre-condition for further development of the power station programme, much of which is already at a standstill under a mass of court orders and injunctions.

The Gorleben hearings appear to have encouraged the opponents of the project that they have got the better of the argument. The Harrisburg accident may well result in a further swing in German public opinion against nuclear power, after a period during which it had seemed to become more acceptable.

Jobless total falls below 1m as winter ends

BY OUR BONN STAFF

THE NUMBER of unemployed in West Germany fell by 176,349 in March to 957,711—the first time the total has been below 1m since November.

The Federal Labour Office said part of the improvement was due to the ending of the harsh winter in most parts of the country. The weather had delayed much of the seasonal drop in jobless normally expected in February.

The office made clear that most of the March improvement was cyclical, with an increasingly broad range of industries adding to their labour forces.

The March figures bring the West German unemployment rate down to 4.2 per cent, compared to 5 per cent in February and 4.9 per cent in March last year. The male unemployment rate is now down to 3.4 per cent, though the female rate remains at 5.5 per cent.

A further pointer to the strong demand for workers was the increase of 55,000 to 302,500 in the number of vacancies, compared to March, 1978. The number of people on short-time fell by about 55,000 to just under 170,000 last month.

Publication of the unemployment figures yesterday coincided with the publication of production figures for manufacturing industry in February. These showed an essentially stagnant situation, with no apparent pick-up from January. The two months taken together showed a decline of 1.5 per cent in the output of manufacturing industry compared with November and December.

The February figures make clear that this was not caused by the weather, for the building and construction sector, normally more sensitive to hard winter conditions than other industries, showed a healthy rise in activity from January, although it remained below the last quarter of 1978.

In a study published today the IFO economic research institute of Munich predicted that the building sector would continue to fulfil the role of principal policy lever for official stimulatory policies. Other forecasts have suggested that building would lose some of this momentum to other sectors during 1979.

The IFO study said the industry has shown itself capable of considerable productivity increases that should allow it to raise output by at least 5 per cent.

In another development Herr Heinz Oskar Vetter, chairman of the Deutsche Gewerkschaftsbund trade union federation, disclosed that he had written to Herr Otto Esser, his counterpart at the employers' organisation, to propose private talks. This is the first publicly disclosed contact between the two sides at national level since the legal challenge by the employers to the worker participation Act was resolved in favour of the unions by the Constitutional Court earlier this year.

France delays boost to energy programme

BY TERRY DODSWORTH IN PARIS

THE NUCLEAR reactor accident at Three Mile Island in the U.S. has forced the French Government into a tactical retreat on its plans to step up its own energy programme announced two months ago.

This became clear yesterday after a meeting of senior ministers involved in taking the financial and administrative decisions to start work on the two extra units at the Gravelines nuclear power station in the north, and a second reactor at Cattenom in Lorraine.

No decision was announced on these plans, and this is being interpreted as a politic move by Ministers to soft-pedal on the nuclear front during the present state of public anxiety. Instead, the accent in official pronouncements is being placed on safety measures being taken by the authorities.

It is clear, however, that the French Government remains deeply committed to its plan to expand nuclear power generation to about 20 per cent of electricity needs by 1985—well over double the present capacity of the nuclear system.

M. Raymond Barre, the Prime Minister, has already stressed that the basic direction of nuclear policy remains unchanged, despite the Three Mile Island accident.

Apart from France's desire to reduce its dependence on oil, its nuclear policy is also being supported as a means of giving the country greater security of energy supply, due to the ease with which nuclear fuel can be stocked.

New moves to tighten up security in the nuclear system include the despatch of a top-level team of inquiry to Three Mile Island, and instructions to re-examine safety procedures in the power stations.

The French have stressed, ever since the beginning of the crisis in the U.S., that although their reactors are basically the same design they have used different methods in some of the key installations.

The French nuclear stations are therefore safer, they say, but even so the systems will be re-examined and the conclusions of the inquiry team put to both houses of Parliament.

Stronger European Parliament urged

By Charles Batchelor in Amsterdam

THE EUROPEAN Parliament should establish a system for investigating Community issues which would ultimately give it powers similar to the U.S. Senate.

This is one way of strengthening the directly elected European Parliament without formally extending its powers, a report presented by the European Movement in Holland argued yesterday.

Rather than complain that its existing powers are inadequate, the Parliament should exploit its opportunities to the full. This would be a god basis for extending its formal responsibilities later, the report said.

The power to set up investigative procedures is not formally laid down in the EEC's codes, but neither is it expressly forbidden. To escape its dependence on the European Commission for information, the Parliament should be able to call on outside experts.

If, for example, it were to investigate the concentration of economic power, it should be able to hear EEC officials, company spokesmen, and the unions.

The Parliament could also exert more influence in the appointment of Europepan Commissioners without formally extending its powers.

It could discuss the Commission's programme and make greater use of its right to question Community decisions and to use its power to amend Commission proposals.

It could also take the initiative in proposing measures.

A better use of its advisory role could increase its influence, as could more frequent public hearings on issues it must decide.

Whereas the Parliament's present powers are negative, to censure the Commission or reject the Council's budget, it could intervene positively in the Council's decision-making procedures, the report added.

Basques strike

Striking customs officers paralysed Spain's commercial road and rail links with France yesterday, in protest at the treatment of Basques living in France. Reuter reports from Irun. Several factories in the Spanish Basque country also closed in protest at the French crack-down on exiled Basques.

Spanish left-wing parties make big gains in local polls

BY ROBERT GRAHAM IN MADRID

THE MAIN parties of the Left, the Socialists and Communists, made important gains throughout urban Spain in Tuesday's municipal elections.

The results have also confirmed the strong emergence of of regional parties, evident in the March general elections, in the Basque country, Andalucia and Catalonia.

The capture by the Left of the major cities and the shift to regional parties nevertheless leaves the ruling Union de Centro Democratico (UCD) of Sr. Adolfo Suarez in control of the majority of Spain's 8,041 municipalities. The Ministry of the Interior said preliminarfy results showed the UCD had obtained 29,614 local council seats against 12,150 for the Socialists and 3,105 held by the Communists.

The last free municipal elections wer held in 1933 and this is the first time that Spain faces the prospect of town halls being run by left-wing councils and mayors since the Civil War.

In the country's 20 largest cities, Socialist and Communist candidates were in the majority in 15 of them. These include Madrid, Barcelona, Valencia, Cordoba, Cadiz, Huelva, Tarragona, Malaga, Valladolid and Zaragoza.

In Madrid the Socialists won 25 seats, UCD 25 and the Communists 9. The veteran Socialist, Sr. Enrique Tierno Galvan, is almost certain to be elected mayor with Communist backing.

In the five other large cities regional party candidates have all done well, either holding the balance of power or being in the majority.

In the Basque country both the conservative Basque Nationalist Party (PNV) and the radical movement that supports Basque separatism, Herri Batasuna, did well. In Bilbao the PNV captured 13 out of 28 seats, while Herri Batasuna obtained six seats. In San Sebastian the PNV gained eight out of 21 seats while Herri aBtasuna won one and another radical Basque party, Euskadiko Eskerra, won three seats. In Pamplona candidates sympathetic to Herri Batasuna gaine dsix out of 26 seats.

Meanwhile in southern Spain, the Andalucian Socialist Party (PSA) did well enough to hold the balance in Seville.

The results provide enough for all parties to find satisfaction. The USD has gained the majority of the councillors but they contested twice as many municipalities. The Social can point to an electoral shift at the local level. The Communists have made solid gains in their heartland, the industrial suburbs of the big cities.

But these results have been obtained on a low poll in the large cities it varied between 56 per cent and 59 per cent.

Saudis sign $250m loan agreement with Ankara

BY METIN MUNIR IN ANKARA

TURKEY and Saudi Arabia yesterday signed a credit agreement for $250m for the financing of Turkish public sector projects.

The agreement was signed between Mr. Ziya Muezzinoglu, the Turkish Finance Minister, and Sheikh Muhammad Aba al-Khail, the Saudi Finance Minister. It appears that Ankara's requests for Saudi oil and another loan for financing imports were rejected.

More than three-quarters of Turkey's export earnings go towards paying the oil bill. Turkey is suffering from a severe shortage of foreign exchange reserves which has brought new investments almost to a standstill and cut industrial production down to 50 per cent capacity.

The projected credit will be made available by the Saudi Development Fund which will disburse the funds as it receives project proposals from Turkish Government agencies. Depending on the project, interest will be between 2 per cent and 4 per cent and repayment over ten and 20 years.

Mr. Muezzinoglu said that the loan will be primarily used for the energy sector including transmission lines, and for railway modernisation.

Food production in USSR and Poland threatened by floods

BY LESLIE COLITT IN BERLIN

EASTERN POLAND and western areas of the Soviet Union have declared flood emergencies as rivers swollen by the heaviest winter snows in a generation are inundating millions of acres of rich farmland.

The widespread flooding could seriously impair food production, especially in Poland, and force the Government there to raise new loans in the West.

Reports from the Polish and East German news agencies speak of 1,750,000 acres of farmland flooded in Poland, mainly in the eastern districts, as well as large areas of the Ukraine, Belorussia and the Soviet Baltic Republics.

Nearly half of Poland's 49 districts have declared flood emergencies, the worst-hit areas lying along the Bug and Narew Rivers in the eastern part of the country. Worst-hit is the Ostroleka district, where an emergency was declared after 84 villages were inundated and some 7,000 inhabitants evacuated.

About 300,000 acres of land in the distict are submerged with the Narew having risen seven feet over the critical level. The highest water level is expected today or tomorrow.

The major floods are especially hard for Poland, which has had four consecutive years of bad harvests and which runs a large annual deficit in agricultural products because of heavy fodder imports from the U.S. A chronic shortage of meat also exists and there are limits to how far the Polish Government can go in further diverting meat supplies for export.

Recently - released Polish figures show that the country this year faces total interest and repayment charges on its \$15bn in borrowings in the West, equal to more than half its hard currency earnings.

Hundreds of roads are flooded in Poland, where many thousands of Polish soldiers, police and firemen are working with civilians to increase the height of dams and evacuate the population.

In Central Poland there is a danger of the Vistula River flooding from near Warsaw on downstream, and of the Oder overflowing between Glogow and the port city of Szczecin. There has also been severe flooding of the Warta between Warsaw and Poznan as the result of breaches in two dams.

In the western Soviet Union, many miles along the Pripet River in the area of Wolynsk are flooded, and the inhabitants of many towns and villages have been evacuated. One stricken city is Brest, on the Soviet-Polish border, a major transportation centre.

● The explosion which killed 49 people at a Warsaw savings bank in February was caused by a gas leak, according to the official commission of inquiry, Reuter reports from Warsaw.

Greenland goes to polls

COPENHAGEN — Greenland yesterday voted to elect members to its new General Assembly, which will take over running the country when it achieves home rule from Denmark on May 1.

Ninety-two candidates were competing for 21 seats in the Assembly, which takes over from the old 17-member Landsraad. About 29,000 people are eligible to vote, and the island has been divided into eight constituencies.

The new Assembly (Landsting) will elect a four-man Greenland Administration (Landstyre).

Within five years, Greenland is gradually to take control of local government, schools, culture, radio, TV, libraries, taxes, labour, and fisheries, with Denmark retaining control of defence, foreign policy and natural resources.

Four political parties have dominated the election campaign—the Atassut, a moderate Right-wing group, which advocates maintaining links with Denmark and the European Community; the Left-wing Siumut party, which wants to see Greenland controlling its natural resources, and severing links with the EEC; Sulissartut, a Leftist Workers' Party, and Inuit, an anti-Danish Marxist-Leninist group.

Reuter

Banks set to fight Dutch squeeze

By Charles Batchelor in Amsterdam

THE DUTCH Government's plans for a credit squeeze seem set to meet strong opposition from the banks and finance companies, which are increasingly worried about the impact any measures would have on business.

Talks between the central bank and the commercial banks are due to start next week after publication of a Government Note to Parliament, expressing concern at the continued strong growth of consumer credits.

The Note, which described the progress of the Government's plan to curb public spending, said measures are being prepared to combat this.

Purchases of consumer articles such as cars and home electronic equipment, as well as foreign holidays, are blamed for part of the sudden shift into a balance of payments deficit.

This in turn makes it more difficult for the Government to fund its spending programmes.

Dr. André Batenburg, chairman of Algemene Bank Nederland and of the Dutch Banking Association, warned this week that any measures must not discriminate between the different types of lending institutions.

Banks and their finance house subsidiaries come under the control of the central bank, but finance houses owned by the big insurers are not covered by these regulations.

The authorities must also ensure that lending by the banks does not simply shift to retail stores with their own credit schemes, to car showrooms and other intermediaries who might set up in business, Dr. Batenburg said.

The banks are already subject to controls on their overall amount of lending. They may only increase lending not matched by long-term borrowings, by 8 per cent this year, although the smaller banks have been set a limit of 9 per cent.

Dr. P. G. Vonk, chairman of the Association of Finance Houses blamed the Government for encouraging the strong growth of buying on credit. The Post Office savings bank has been aggressively marketing its own credit facilities in competition with commercial banks.

Outstanding consumer credits amounted to Fl 11.2bn (£2.8bn) at the end of last year, a rise of 25 per cent on 1977.

Independent financing companies and financing subsidiaries of the banks and insurance companies accounted for 60 per cent of lending, while the banks directly lent another 30 per cent. Signs exist that the rate of growth is slowing this year.

Waldheim in Cyprus discussions

GENEVA—Mr. Nicos Rolandis, the Cypriot Foreign Minister, met yesterday for two hours with Dr. Kurt Waldheim, the UN Secretary General, and afterwards said he was cheered by what he described as an "extremely constructive" approach to reviving deadlocked talks on the island's future.

Mr. Rolandis said the meeting explored "all possibilities of getting out of the deadlock," including a summit meeting between Mr. Spyros Kyprianou, the President of Cyprus, and the leader of the Turkish Cypriot Community, Mr. Rauf Denktash.

Mr. Rolandis disclosed that Dr. Waldheim said he would meet with the Turkish Cypriot representatives "probably within the next seven days" to sound out Turkish reaction to such a summit.

At a news conference, Dr. Waldheim's Press spokesman, M. Francois Giuliani said the meeting—held at a Geneva hotel—had centred around finding "a mutual basis" for resuming inter-communal talks on the island. No decision was reached on a summit meeting.

It was the first time that Mr. Rolandis had met with Dr. Waldheim since a UN plan for inter-communal talks was announced in December, aimed at bringing peace to the island, 40 per cent of which still remains under Turkish control following the 1974 invasion.

Frankfurt post bomb 'bound for Israel'

FRANKFURT — The postal bomb, which exploded at Frankfurt Airport on Tuesday injuring 10 airline workers, was destined for Israel, a police spokesman said yesterday.

The blast occurred on a trolley loaded with parcels about to be put aboard aircraft. Of the 10 Luthansa airline employees injured, three were seriously hurt.

No information was available on the precise target of the bomb, nor on who might have been responsible for sending the parcel.

Reuter

Margaret van Hattem, in Brussels, reports on Europe's embattled farm policy

Structural reforms help the inefficient survive

EUROPE'S Common Agricultural Policy seems to be heading in contradictory directions.

The Community wants big efficient farms—but it subsidises small farmers to stay in business. It wants to cut down excess dairy production—so it pays farmers to switch into beef but then increases the milk price which encourages the same farmers to switch back to dairy again.

It anticipates a large surplus of Mediterranean food produce following the entry into the EEC of Spain, Portugal and Greece —but spends large sums on helping French and Italian growers of the same produce consolidate their hold on the EEC market.

An example of this lack of direction presented itself this week when the Commission made proposals to improve the structure of the farm sector. In essence, the proposals are an acknowledgement that previous structural policy has been of more use to rich farmers than to the poor ones it was designed to help.

In the five years since investment aids were introduced to help farmers modernise production, the Commission estimates that about half the farmers who applied successfully for Community help were already earning at least four-fifths of the average non-farm income for their region. EEC funds helped them to boost this past the target of 100 per cent, sometimes to as much as 150 per cent.

About 14 per cent of those receiving modernisation grants were dairy farmers contributing to the surplus which is the Community's biggest agricultural problem at the moment. In an attempt to redirect funds to smaller, poorer farms which nevertheless have the potential for profitability, the Commission is proposing stricter criteria for eligibility for modernisation grants, ruling out some of the bigger farms and stopping aids to the dairy sector.

Instead of having to show plans under which they would reach parity with non-farm incomes in six years, applicants would need only aim at between 80 and 90 per cent.

Other proposals include grants for Italian farms of less than two hectares, greater incentives for farmers aged between 55 and 65 to retire and hand over to a successor, aids to pig processors, and a series of special farming programmes to help farmers in the west of Ireland, hilly regions of Italy and in Greenland.

The Commission is also proposing to help regions which suffer from net emigration by promoting forestry, tourism and crafts as well as more modern farming, in integrated development programmes.

In view of the present recession in EEC industry and the consequent high unempoyment levels—which the Commission says could go from the present 6m to 15m by 1985—this sort of structural reform looks like a good idea. But it also entrenches the sort of inefficient farming that the CAP was originally designed to phase out.

Run in conjunction with a system of high price support, it ensures that the inefficient will survive along with the efficient, further distorting EEC markets. It also means that farmers will be extremely reluctant to leave the land if and when EEC industry picks up and the labour market expands.

Farmers in EEC countries have a political impact that greatly outweighs their numbers. As a result, they have long enjoyed more protection from economic forces than any other sector. Agriculture Ministers, backed by the EEC Commission, have for years insisted that farmers should not suffer the indignity of joblessness or of being paid not to produce. Instead the high social content of the CAP has been disguised by high support prices.

But there is a growing feeling within the Commission that this disguise would perhaps be abandoned. It may be time, according to some officials, to prepare for economic recovery by paying the most efficient farmers the minimum prices needle to keep them in business (this would probably not bring EEC support prices down as far as world prices) and by openly subsidising the rest.

Such a policy would, they admit, bring many new problems. But, they add, no one has yet examined the options to see whether these new problems might not be easier and cheaper to solve than those the present policies are sure to bring.

Some of the battles to make economic sense of the CAP appear to be gaining support.

Trevor Humphries

Dairy surpluses in the making.

The British have been complaining for years about prices and food mountains, rarely winning much sympathy—perhaps because their complaints were presented in a nationally-orientated manner, perhaps because the stronger economies of continental Europe were better equipped to shrug off the problem.

However, the atmosphere has changed over the past year. If other EEC Governments do not share Britain's concern over the way the CAP swallows up its budget contribution, giving back proportionally less to the UK than to any other country, several are questioning the need to continue using three-quarters of the EEC budget to help farmers when workers in steel plants, shipyards and other sectors are being laid off in vast numbers.

Perhaps the clearest indication of the change in thinking came last week when Herr Josef Ertl, German Farm Minister and champion of Bavarian farmers, told the Bundestag that farm surpluses were straining EEC financial resources "to the limits of the tolerable" and tacitly warned farmers that the days of automatic annual price rises were over. A year ago, such sentiments from Herr Ertl would have been unthinkable.

Meanwhile, in Strasbourg, Socialist members of the European Parliament were pressing for a new "Strega conference" (the conference which laid down the fundamental principles of the CAP) to begin a major rethink of agricultural policy.

It is not yet certain whether the Commission will, in the next few weeks, secure the farm price freeze it considers essential to prevent what Mr. Roy Jenkins, the Commission President, called "the collapse of the CAP under its own weight." But despite French opposition, the prospects this year are brighter than for many years.

The danger at this stage is that governments will think that a price freeze, in itself, is enough, or even that getting rid of surplus production, although a monumental task, would make sense of the CAP.

Many EEC officials believe that the present lack of co-ordination in agricultural policies threatens to lead to bigger problems in the future.

OVERSEAS NEWS

World expresses sorrow at Bhutto's death

MANY COUNTRIES expressed their shock and sorrow yesterday, after the news of the execution of Zulfikar Ali Bhutto, Pakistan's former Prime Minister.

In London, Mr. Bhutto's eldest son, 24-year-old Mir Bhutto, warned: Whoever is responsible for this murder is going to pay a very heavy price for it."

"Today they have buried a martyr," he said. "I do not want to say much. They have tried to break my father for two years. They have tortured him and tried to ruin his political name. They have now killed him."

A wave of indignation spread through India after the news, but the Government made no official comment, since it has taken the stand that it is an internal Pakistan matter.

Mrs. Indira Gandhi, the former Prime Minister, did not hesitate to comment. She said: "It is obvious that Mr. Bhutto became a victim of conspiracy by certain vested interests within and outside Pakistan."

There was no immediate reaction from the White House, but a U.S. State Department spokesman said he expected his department to make a statement later. "On several occasions we did make known our hope that his life would be spared," the spokesman said.

The office of Mr. James Callaghan, the British Prime Minister, said that Mr. Callaghan, who made the last of his three appeals for Mr. Bhutto's life only on Tuesday, deeply regretted that the death penalty had been invoked.

French President Valery Giscard d'Estaing had also made a new appeal for mercy only hours before the execution.

A spokesman for the European Commission said: "The Commission deeply regrets the fact that the President of Pakistan did not feel able to accept the appeals for clemency."

Mr. Bulent Ecevit, the Turkish Premier, expressed his sorrow over Mr. Bhutto's death, and said his Government was against the practice of punishing politicians in this way.

The Soviet news agency TASS reported the execution without comment. President Leonid Brezhnev had also appealed to the Pakistan Government to spare Mr. Bhutto's life.

The New China News Agency in Peking also reported the execution without comment.

In Yugoslavia, where President Josip Broz Tito had called for clemency, officials said privately they regretted the execution. The Yugoslav news agency reported the hanging under the headline "The Murder of Ali Bhutto."

Mr. Adam Malik, Indonesia's Vice-President, expressed his condolences to Mr. Bhutto's family.

Agencies

The legacy of a man of extremes

BHUTTO is dead but is Bhuttoism? The legacy of the man who ruled Pakistan from December, 1971, until he was overthrown by General Zia ul-Haq in July, 1977, is potentially so enormous that his name is bound to be remembered much better than any of his predecessors.

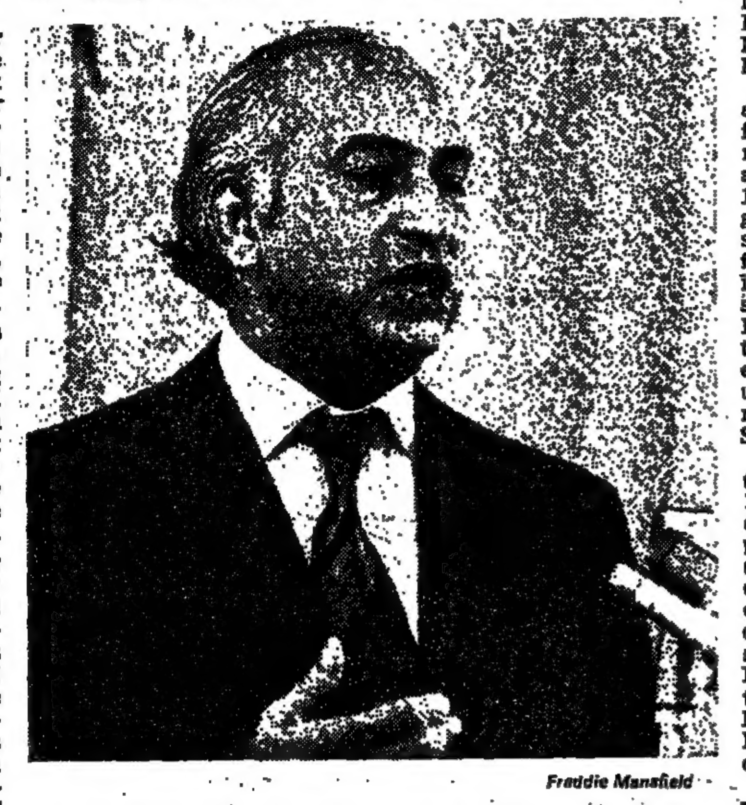
A man of extremes, Zulfikar Ali Bhutto will himself be lauded or damned in extremist terms. To the military ruler General Zia, he was the personification of evil, guilty of 40 murders and the worst of the "crooked" politicians who have ruled Pakistan. The political opposition considered him the trickiest man to deal with of all, the organiser of a police state and certainly not to be trusted.

But to many Pakistanis he was the nation's saviour who lifted it from the depression following the defeat by India in 1971 and the breaking away of Bangladesh Even his opponents still thank him for the constitution he gave Pakistan in 1973 and in fact use it as a reference point for the future stability of the country.

Undoubtedly a brilliant orator and an adroit political operator he would perhaps have agreed that he was blind to the repercussions of the autocratic actions he took in power. The start of his decline from power became most visible following the disputed result of general elections in March, 1977. His Pakistan People's Party had won an overwhelming victory but claims of rigging made by the opposition Pakistan National Alliance led to two months of vicious street rioting in which as many as 350 people died.

In this greatest test Bhutto's political talent failed him. No political solution was possible and so the armed forces moved in. Military involvement in government has been so frequent during the 31 years of Pakistan's statehood that it was the most natural course. Bhutto, the man who thought he had established once and for all civilian political rule, and perhaps his own rule, was the prime victim.

Whether General Zia's subsequent actions against Mr. Bhutto were inspired by a genuine feeling that legal action must be taken against the former Prime Minister, or whether he wanted to move against his main political opposition has yet to be decided. On the one hand, Bhutto found himself accused of murder, contempt of court, and illegal detention. Subsequently, in their so-called process of accountability, the military instituted six cases covering election rigging, misuse of public funds, using secret service funds for party purposes, and evading foreign exchange controls.


Freddie Mansfield

By seeming to go after him all the time, and letting lapse their initial commitments to early elections and a return to democracy, they allowed Bhutto to appear hard done by and gave him the aura of a man who really did represent Pakistan and its voters.

The mantle of his style and tradition is expected to be taken up by his family. His Iranian-born wife, the Begum Nusrat Bhutto, has suffered months of house arrest along with her 25-year-old daughter Benazir because of their political lobbying activities.

Bhutto was the son of a Sindhi land-owner knighted by the British, Sir Shahnawaz Khan Bhutto. Born on January 5, 1928, at Larkana in the Sind province of British India where his family house still is, he had a childhood of privilege. The Bhutto family owned large estates in the province and the young Zulfikar met many of the later important politicians and army men when they came out on duck-shooting trips.

The later contradictions in Bhutto's life and career, the constant struggle to be seen as the representative of the ordinary people of Pakistan while making use of all the advantages that were denied to such people, are all traceable back to this time. Sent abroad to study, Bhutto acquired degrees at Oxford and the University of California, Berkeley. For a while in the early 1950s he taught international law at Southampton University before returning to Pakistan to teach and then practice law in Karachi.

He used to claim to have developed a feeling for the poor which had been communicated to him by his mother. It was not apparent during his first 10 years in politics. In 1958, when the then General Ayub Khan took over, Bhutto was made Minister of Commerce. Until 1963 he acquired a wealth of administrative experience, at one time or another being responsible for the portfolios of National Reconstruction and Information, Kashmir Affairs, Minority Affairs, and Fuel, Power and Natural Resources.

Possibly the most rewarding experience, though, and the one for which he will perhaps be most remembered, is his period as Foreign Minister, first from 1963. Pakistan then developed god relations with China and shifted its foreign policy away from the West. After resigning in 1966 because of the Tashkent settlement in the 1965 war with India over Kashmir his discontent with corrupt military government grew, and he brought up ideas of a socialism tailor-made for Pakistan-Islamic Socialism.

In pursuit of it he founded the Pakistan People Party in 1967. The next qear he was detained for three months for political activities in favour of democracy. With the succession of General Yahya Khan in 1969, on the promise of elections and civilian rule, Bhutto gathered support in West Pakistan (as Pakistan was then called) and the Bengali leader, Sheikh Mujibur Rahman gained popularity with his call for independence in the East.

After Bhutto's victory in the western province in the 1970 elections and Sheikh Mujibur's even greater victory in the East, Bhutto was blamed by many for engineering the break-up of the country so that he could rule at least part of Pakistan.

An equally powerful image, though, is of him, again as Foreign Minister, arguing Pakistan's case in the Security Council as Indian troops swept into East Pakistan. When Pakistan was defeated Yahya stepped down and Bhutto took over.

Because history cannot be confined to such epochs the repercussions of Bhutto's career and the circumstances of his end will live on in Pakistan. Those who still support him will be hoping that it will be a haunting memory for those who do not.

N. Zealand tightens bank lending

THE New Zealand Government has tightened up on bank credit to the private sector, Dai Hayward reports from Wellington.

Growth rate for lending will be limited to between 8 and 12 per cent for the year ending next March. In February, the growth rate had reached 27.3 per cent.

U.S. banks pledge

The U.S. Government would pay \$90m-\$100m to a reorganised African Development Bank, Mr. C. Fred Bergsten, Treasury Assistant Secretary, said yesterday, AP reports from Washington.

Vietnam talks offer

Vietnam is ready to begin normalisation talks with China around April 10, dropping an earlier condition that all Chinese troops withdraw from Vietnamese soil before negotiations can start, Reuter reports

Korean nuclear leak

South Korea's only nuclear power plant, troubled by "minor", radioactive water leakage, should have resumed operations by early today, officials of the South Korean Science and Technology Ministry said, AP-DJ reports from Seoul.

Sydney hijackers shot

Police shot and killed a would-be hijacker on an empty Pan American Jumbo jet at Sydney Airport yesterday as he tried to ignite a beer can filled with explosive, Reuter reports from Sydney. The man, identified as Dimicius Sperantzo, an Italian, had earlier held a woman at knife point.

Minister may quit

Gen. Victor Khoury has tendered his resignation as Defence Minister to Lebanese President Elias Sarkis, but no decision has been taken on the move, Prime Minister Selim al-Hoss announced. Reuter reports from Beirut.

Hope dims for Namibia solution

BY QUENTIN PEEL IN JOHANNESBURG

HOPE FOR an agreement on the United Nations' plan for a caesefire and elections in Namibia (South West Africa) have almost evaporated. Diplomats here are deeply pessimistic about the chances of a peaceful settlement in the territory.

Political organisations within Namibia, excluding the South West Africa People's Organisation (SWAPO) the principal black nationalist movement, yesterday began discussions aimed at finding an agreed basis on which to reject the UN plan. While there is no guarantee that they will agree, the Democratic Turnhalle Alliance, the leading pro-South Africa party, which dominates the Namibian Constituent Assembly, is committed to rejection. The South African Government appears to be in full sympathy with that course.

Western observers fear that, although South Africa has genuine specific reasons for refusing to accept the UN plan, it has taken a decision on a wider basis to abandon attempts at compromise and co-operation with the Western powers.

South Afrcian officials insist that they do not want to slam the door on further negotiations which might lead to a UN-supervised election, but they are adamant that elements of the UN proposals, already approved by the Security Council, are totally unacceptable. Their most fundamental objection is to the UN proposal that SWAPO guerrillas inside the territory at the time of a ceasefire should be allowed to remain in arms at designated places.

If the UN plan is rejected, South Africa clearly wants the rejection to come from parties within the territory. The latest manoeuvring has promoted the two small centrist parties in Namibia — the Namibia National Front and the SWAPO Democrats — into a key position. Mr. P. W. Botha, the South African Prime Minister, told the Constituent Assembly in Windhoek on Monday that if it was to reject the latest UN plan, it must persuade these two parties. And, if possible, the major Churches in the territory, to back them. It is believed that if this can be achieved, a further election might be held in the territory, including all the parties except SWAPO, for an interim administration leading to independence, without UN recognition.

Opinion in Windhoek is that such an outcome remains unlikely because the two centrist parties are still hoping for a UN-approved solution. But Western diplomats admit that there is practically no room for further manoeuvre.

Ultimatum to Mulder

BY OUR OWN CORRESPONDENT

DR. CONNIE MULDER, the former South African Minister of Information, has been given an ultimatum by his Transvaal colleagues in the National Party to accept the findings of the Erasmus Commission of inquiry into the secret activities of his former department, or to be expelled from the party.

The commission concluded that Dr. Mulder's evidence was not to be believed against the evidence of the former Prime Minister, Mr. John Vorster, and the Minister of Finance, Mr. Owen Horwood.

The ultimatum means that Dr. Mulder will have to back down, although he has already said that he stands by his evidence that both Mr. Vorster and Mr. Horwood were involved in planning the secret projects of his department.

Role for U.S. in Sinai ceremony

BY DAVID LENNON IN TEL AVIV

MR MOSHE DAYAN, Israel's Foreign Minister, has cancelled a visit to Cairo next week, in view of the decision of the Egyptian Government not to send Dr Boutros Ghali, Minister of State at the Foreign Ministry, to Jerusalem.

Instead of the exchange of visits announced on Tuesday in Cairo by Mr. Menahem Begin, the Israeli Prime Minister, the two countries will exchange the instruments of ratification of their peace treaty at a U.S. early-warning station in Sinai.

Israeli officials said that it was not the issue of an Egyptian Minister's visit to Jerusalem at this time which led to the change of plans. Mr Begin and Egypt's Vice-President, Mr. Hosni Mubarak, had decided at Cairo airport on Tuesday that the exchange of ratifications was essentially a technical matter that did not require the sore of ceremony and lengthy talks involved in visits by Foreign Ministers.

Officials in Tel Aviv also said there was a feeling that the U.S., as a partner in the negotiations, should have some involvement in the final act of ratification.

Mr. Begin told the Knesset yesterday that a hotline telephone link would be opened immediately between himself and President Sadat in Cairo. Israel would start receiving oil from Egypt a day after handing over the Sinai wells. The oilfields on the shores of the Gulf of Suez are due to be handed to Egypt by June 26.

Mr. Begin added that Egypt had agreed to make a minor border adjustment in the interim withdrawal line in Sinai. This would enable Israel to continue operating a military laundry just east of El Arish, which is to be handed back to Egypt late next month.

AMERICAN NEWS

Jane Byrne elected Chicago Mayor

MARALYN EDID reports on Chicago's first woman Mayor, and one of the biggest problems she has to face.

IN A city where winning the Democratic Party's nomination for Mayor is tantamount to election, Mrs. Jane Byrne polled 671,000 votes, or 82 per cent of all ballots cast, winning by the largest margin since 1901.

Mr. Wallace Johnson, her Republican opponent, took 131,000 votes, or 16 per cent, in an election which attracted an unexpectedly high 55 per cent turnout.

Mrs. Byrne's victory had been predicted ever since her stunning victory over Mr. Michael Bilandic, the incumbent mayor, in the February 27 mayoral primary election, and her subsequent peace-making efforts with the powerful Democratic Party organisation. The only undecided issue in Tuesday's election was the size of Mrs. Byrne's majority.

She asked voters for a large show of support to solidify her position against a potentially hostile City Council which might still be holding a grudge because of her defeat of their leader, and might begin asserting its right to be an equal partner in City Government.

The Democrat's campaign centred on making City Government "open and clear," revitalising Chicago's neighbourhoods, cutting the City pay roll, replacing inept department chiefs, and allowing police and firemen collective bargaining rights.

Mr. Johnson, a local investment banker, seemed doomed from the start. Chicago has not had a Republican mayor since 1927.

Life flows back to the inner city

THERE ONCE was a time when new suburbs sprawled around America's older industrial and commercial centres, when the South beckoned, and the once-proud Northern cities lost middle-income residents and big factories to lower tax districts, to more attractive communities and to sunnier climates.

Slowly, and what pessimists called irreversibly, many Northern cities began crumbling, because of the erosion of their tax and population base, the lack of public or private investment, and the seeming impotence, if not indifference, of public officials and business leaders faced with the spreading urban blight.

But recently, in fits and starts, some cities have begun the long road back. Money is coming in from Washington, and there are professional urban planners, affluent young people renovating inner city homes, local business groups intent on reviving neighbourhood shopping strips, and municipal departments devoted to area economic development. But significant investment by the private sector in support of urban revitalisation has been missing.

Indeed, there have been well-founded allegations that some financial institutions have gone in the other direction and discriminated through the practice known as "redlining," that is, denying funds to poorer minority areas because of high credit risks.

In Chicago, where urban decay never reached dire proportions, the city's second-largest and the nation's ninth-largest bank has just committed \$1m and a small staff to help resuscitate the neighbourhoods.

Through a profit-making subsidiary called First Chicago Neighborhood Development Corp. (FCNDC), First National Bank of Chicago has joined the small but growing number of financial institutions which have recognised the importance of community-based economic activity and, as a corollary, the obligation that banks must participate more in reaching that goal.

First National sought, and last month received, authorisation from the Comptroller of the Currency to establish a subsidiary which would invest in specific commercial and residential projects considered risky by conventional standards but which show promise of long-term social and economic benefits for the community.

Through a different arrangement, the Illinois Neighborhood Development Corporation, a bank holding company, received permission from the Federal Reserve Board in late 1977 to set up a profit-making subsidiary which would acquire, rehabilitate and sell residential and commercial property in a specific area of Chicago as a spur to further private investment and economic development. The corporation also owns South Shore National Bank, a six-year-old institution which has been a leading force in the economic revitalisation of Chicago's South Shore community.

Banking institutions have felt increasing pressure from federal regulatory authorities to prove they are meeting the financial needs of the communities from which they draw their deposits. The Community Reinvestment Act (CRA), which took effect from February, requires banks and savings institutions to delineate the boundaries of the communities they serve, and to publish a list of the financial services they offer. The intent of this, and other legislation is to ensure that low and moderate-income neighbourhoods, which usually have mixed ethnic populations, receive adequate mortgage and credit financing.

The initial \$1m capital will trigger investment worth many millions more. Based on specific projects the FCNDC staff is considering, a subsidiary investment of \$250,000 to \$500,000 could trigger a commercial or residential project worth \$12m to \$15m. If all goes well, the subsidiary could open a line of credit with First National during this first year.

House committee vote hits Carter anti-inflation plan

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

A KEY committee of the House of Representatives has dealt a grievous — possibly fatal — blow to one of the main elements in President Carter's voluntary anti-inflation programme — the so-called "real wage insurance" scheme.

On Tuesday night, the House Budget Committee voted by 14-11 not to allocate any funds to the proposal in the 1980 fiscal year, which begins on October 1.

The chance remains that this vote could be reversed in deliberations later this week, or by the full House when it debates the 1980 budget. But even protagonists of the plan now doubt it has much hope of getting through Congress

The purpose of real wage insurance was to provide an incentive to workers to agree to pay contracts within the 7 per cent wage guidelines, by offering tax rebates up to a maximum of \$600 per person, if the inflation rate exceeded 7 per cent.

The Administration had earmarked \$2.3bn for the 1980 budget to cover the costs of the scheme.

But the recent surge in inflation to double figures, well above the projected 7.4 per cent cost-of-living increase this year, had prompted some Congressional analysts to conclude that the plan could end up costing at least twice as much.

An added complication stems from the teamsters' strike. Here, the prevailing view is that it would be imprudent to proceed with real wage insurance before the size of the teamsters' settlement — the trendsetter in a heavy wage bargaining year — is known. Talks to end the strike start today.

The Administration has already bent its wage guidelines appreciably to try to induce the teamsters into a moderate settlement, but so far without success.

Organised labour generally has never been more than lukewarm about the proposal.

This is partly because of the relatively meagre inducement offered—even the \$600 rebate would be taxable as income—and partly because labour leaders believe that, real wage insurance notwithstanding, the whole anti-inflationary programme leans more heavily on workers than on corporations.

With the wage and price guidelines battered and the real wage insurance scheme in deep trouble, the President's anti-inflation policies are beginning to look distinctly thin.

It is true that Congress is in a fiscally conservative mood and is unlikely to add to the \$28.4bn budgetary deficit projected for the 1980 fiscal year.

But debate is growing as to whether even that austere deficit is not too high. Some of Mr. Carter's own advisers are urging that it be reduced further—though this would be a difficult political decision.

Petrobras writes off oil well

By Diana Smith in Rio de Janeiro

AN ACCIDENT to the well-head cellar of Petrobras's Garoupa-6 well in the Campos basin has led to the well being written off, the state oil monopoly said.

The accident, caused by the anchor of a nearby drilling ship, occurred in December last year. But Petrobras preferred to make detailed studies of the damage before announcing the write-off.

The damage to the Garoupa-6 well, part of a nine-well system scheduled to yield 45,000 barrels a day by June this year, involves a financial loss of \$7m in scheduled yield of oil and equipment costs (covered by insurance).

It will also cause further delays in bringing the Garoupa field fully on stream.

At the moment, only one well is producing—about 3,000 b/d—nearly a year after its original deadline. Petrobras hopes that, within a few years, Campos can yield at least 250,000 b/d.

Campos and Garoupa have suffered a series of mishaps. In 1977, the Garoupa loading rig sank off the Brazilian coast, but was eventually refloated. Subsequently, when Petrobras began to set the underwater Garoupa equipment in place, valve trouble and powerful undercurrents caused further delays.

Petrobras officials absolve Lockheed, which designed and supplied the Garoupa equipment, from blame for these technical problems.

Petrobras is studying the possibility of drilling another Garoupa well to replace Well Six. This would entail at least a six-month time-lage.

Higher-interest plan for small savers

BY DAVID LASCELLES IN NEW YORK

PROPOSALS to give the small saver access to higher interest rates have been put forward for public discussion by U.S. bank regulators.

At the moment, only people with several thousand dollars to invest can obtain market rates. Others have to accept rates limited by law. The main proposals are:

- To introduce a five-year floating rate certificate with interest set monthly in line with five-year Treasury securities;
- To allow banks to pay a bonus of 0.5 per cent on minimum balances held in accounts for over a year;
- To create "rising rate" certificates whose interest rates would increase the longer money is held in the bank, probably up to eight years;
- To reduce the minimum amounts needed to qualify for higher-yielding savings certificates.

At present, banks are forbidden to pay more than 5 per cent on regular savings accounts, though slightly higher rates apply to long-term deposits.

Savings banks are allowed to pay ¼ per cent more than commercial banks. The minimum investment in high yielding money market certificates, where rates are at present over 9 per cent, is \$10,000.

The regulators' proposals have come in response to complaints from consumer groups and pensioners' action groups such as the Grey Panthers, who claim the present system is unfair.

Opposition is expected from the banks who fear the new proposals will increase their costs and reduce the already shaky profit margins of high street banking.

The comment period will extend to May 4.

Nuclear reactor cooling

MIDDLETOWN, PENNSYLVANIA — The Three Mile Island nuclear reactor in Harrisburg is cooling, but experts said decontamination could take two years.

Mr. Harold Denton, the operations chief of the Nuclear Regulatory Commission (NRC), said it was possible the plant could be back in operation within two years, depending on the amount of radiation damage to its components.

Meanwhile, the companies which operated the plant have accused the NRC of overstating the danger of mass radiation.

"We have been telling the NRC for days now that there was no problem here, but there seems to be a political game involved," a company official said.

In Washington, the Union of Concerned Scientists, long a critic of the nuclear power programme, accused Mr. James Schlesinger, the Energy Secretary, and other Government officials, of an extensive cover-up of safety difficulties at nuclear power plants.

Agencies

Rolls-Royce pitch to Pentagon

BY DAVID BUCHAN IN WASHINGTON

ROLLS-ROYCE MOTORS yesterday made its opening pitch to U.S. defence officials to get the Pentagon to consider its CV12 military diesel engine as a possible back-up engine for the new generation of American tank, the XM-1.

The sales bid is seen by both U.S. and British officials as a long shot for Rolls-Royce, which developed the engine for the Shir version of the Chieftain tank. The new Iranian Government has recently cancelled a large order for the tanks.

Mr. David Plastow, director of Rolls-Royce Motors, who is leading the promotion team, said his company would have tried to penetrate the U.S. market regardless of the Iranian cancellation. But prospects for the CV12 engine had been improved by problems with the gas turbine engine built by Avco-Lycoming for the XM-1 tank.

He claimed the Rolls-Royce diesel was both cheaper and more fuel efficient than the revolutionary gas turbine engine, though the Avco-Lycoming engine might be smaller. Rolls-Royce has started preliminary talks with the Teledyne company, which might produce the diesel engine under licence in the U.S.

Meanwhile, prospects for a new version of the Harrier, powered by engines from the state-owned part of Rolls-Royce which makes aero engines, have improved in Congress, according to British officials. In the January defence budget, Mr. Harold Brown, the U.S. Defence Secretary, cut out all funds in 1980 for a new improved AV8B version of the Harrier, which the U.S. Marine Corps is keen to acquire.

The Defence Secretary argued that the Navy and Marine Corps had quite enough types of aircraft already. But Congressional supporters of the Harrier, notably Senator Gary Hart, who sits on the armed services committee, are seeking to reinstate production funds for the new Harrier into the new 1980 budget, and they have succeeded in continuing the programme this year.

The programme for the AV8B Harrier, which would be built principally by McDonnell Douglas, would be worth about \$1bn to \$1.5bn to British industry, with Hawker Siddeley and Rolls-Royce Ltd. getting the lion's share.

Iran resumes limited gas supplies to Soviet Union

BY SIMON HENDERSON IN TEHRAN

IRAN HAS resumed supplies of natural gas to the Soviet Union along the IGAT 1 pipeline after a break of three months. But at a much lower level than before, according to oil experts here.

The cut off in supplies after political strikes in Iran's oil industry—where the gas is a by-product—reduced production nearly to zero. This has caused severe energy problems in the Soviet republics of Georgia, Armenia and Azerbaijan which have been supplied with the Iranian gas since 1970.

The oil experts assume the lower level of supplies is due to production difficulties in Iran's south western oilfields. The gas is only obtainable from few fields equipped with the necessary production units. Although present total oil production of about 2.7m barrels a day should be enough to produce sufficient gas, it is assumed that the necessary fields are not operating properly.

The Soviet Union pays Iran more than $250m for an annual supply of 10bn cubic metres of gas. A problem in resuming full supplies could be attributed to the tension between the new Iranian Government and the Soviet Union. Ayatollah Khomeini, Iran's religious leader, has warned Moscow against interference in the country's internal affiars, and a senior Iranian aide this week accused the Soviet Union of supplying guns to rebellious Turkomans in Iran.

Iran has declared that it is re-examining a contract for a second pipeline to the Soviet Union, IGAT 2 as part of its policy on all deals signed by the old regime. IGAT 2 is worth more than $2.5bn and includes a swap arrangement for the Soviet Union to supply gas to West Germany, France, Austria and Czechoslovakia. Work on IGAT 2, due for completion in 1984, was stopped in January because of political unrest.

W. Europe ships hit by inactivity

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

WESTERN EUROPEAN shipowners continued to suffer greater unemployment of their vessels than the world average in spite of the general improvement in trading conditions in the early part of this year.

Figures published today by the General Council of British Shipping show that the proportion of the world fleet laid up through lack of employment fell to 4 per cent or 27.1m deadweight tons (dwt) at the end of February.

The figure for the UK fleet, however, remained constant at 7 per cent, representing 34 ships totalling 3.5m dwt. Norway had 11 per cent of its ships laid up, Sweden 8 per cent and West Germany 7 per cent.

The biggest problem for the merchant navies of these countries continues to be their oil tanker fleets. Of the UK total, for example, 3.27m dwt was tanker tonnage (representing 11 per cent of the country's tanker fleet).

It is clear that the relatively high-cost European operators are being more cautious about reactivating tankers in the improved spot markets because of fears that the better conditions will be shortlived.

In the case of Britain, it is also significant that about 75 per cent of the country's tanker fleet is owned by oil companies, which are more inclined to take longer term views about deploying their shipping fleets.

The persistence of the tanker problem disguises the fact that the UK's much depleted dry cargo fleet is almost all active. Only 13 vessels in this class, aggregating 288,000 dwt, were laid up at the end of February. This represents only 1 per cent of the total UK dry cargo fleet, against a world average of 2 per cent.

The general situation at the end of February showed a big improvement since the bottom of the trough last June, when 9 per cent of the world fleet and 13 per cent of the UK fleet were out of action.

S. Korea to assist India

BY K. K. SHARMA IN NEW DELHI

THE HYUNDAI group of South Korea is to set up a shipyard in India for repair of ships. It will be the most modern in the region.

Hyundai will train Indians to man the shipyard which is to be established as soon as possible.

South Korea is also examining a proposal for setting up an iron ore pelletisation plant in India so that pellets can replace iron ore exports.

This follows a three-day meeting between the Federation of Korean Industries (FKI) and the Association of Indian Engineering Industry (AIEI).

Both groups identified construction and power projects as the two main areas in which South Korea and India can collaborate to compete for contracts in the Middle East.

The implication of this is that the main rivals for contracts in the Middle East now plan to co-operate in bids against others. They hope to share the contracts according to capacity.

Teams from South Korea are to visit India early in May for further discussions on specific fields of co-operation and Indians are also likely to visit Seoul for talks.

UK on short list for £65m Australian defence deal

BY JOHN LLOYD

TWO UK companies are among a small number of international communications concerns included on a short-list to tender for an Australian defence communications contract, worth at least £65m.

The complete contract, which will last at least 10 years, is thought to be worth considerably more, possibly above £100m.

The UK companies are Plessey and Standard Telephones and Cables, the UK subsidiary of ITT. The two companies will team up with a third, probably the West German electronics giant Siemens, to tender for the project. Plessey will be the prime contractor, through its Australian subsidiary.

Four other contractors have been named by the Australian Government, most of whom are also expected to join forces with other companies to tender.

They are: Ford Aerospace (U.S.); Rockwell Collins (U.S.); Litton Industries (U.S.) and L. M. Ericsson (Sweden).

The project, the largest ever undertaken by the Australian Defence Ministry in the communications field, involves the creation of a strategic network for all Australia's military forces—army, navy and air force. It is known as DISCON—Defence Integrated Secure Communications Network.

Sales drive in Venezuela

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A CO-OPERATIVE marketing venture, designed to increase the exports of the British mechanical handling industry, is being set up with the support of several companies in the industry, a London merchant bank and the National Enterprise Board. Initially, the venture will concentrate on the Venezuelan market, and a sales office will be opened shortly.

The initiative for the venture came from the National Economic Development Office (NEDO) sub-committee for the conveyor industry, whose member companies agreed that the industry was not taking sufficient advantage of export opportunities.

The companies which have agreed to support the venture are mostly contractors and manufacturers in the mechanical handling industry, and include GEC and Dunlop. The venture, to be known as MOMEX (Mechanical Movement of Materials—Export Group), will be a limited company. It has already appointed Mr. Tim Duhan as its marketing executive in Venezuela, while the Mechanical Handling Engineers' Association has agreed to provide the secretariat.

The British conveyor industry is predominantly concerned with the home market. In 1978, it exported only 22 per cent of its output, although it has managed to increase slightly its share of world trade.

Portugal loses ship contract

By Jimmy Burns in Lisbon

FINANCIALLY - TROUBLED Lisnave, Portugal's ship repairing company which accounts for 5 per cent of the country's total export earnings, has lost a £3.5m order to repair the Greek tanker Andros Patria, following a decision by the ship's owners to sell it for scrap metal. The ship which is owned by Seas Transportation, will probably be sold to a Spanish yard, a Lisnave official said.

The hull of the oil-tanker was damaged by a series of explosions last January while it was off the Spanish coast. It was brought into Lisbon, where most of the 167,000 tons of Iranian crude oil still inside its hold was removed.

NZ to ease restrictions

WELLINGTON — New Zealand is to ease up slightly on import restrictions in the new import licensing year beginning on July 1.

Mr. Lance Adams-Schneider, the Trade and Industry Minister announced yesterday that basic import allocation for 1979-80 will be 110 per cent of last year's figures for consumer goods and 115 per cent of last year's figures for other goods.

Only about 25 per cent of New Zealand's imports are now subject to import controls, and a number of further items will be exempted from July 1. Among those to be exempted are some children's footwear, plastic gloves and mittens, leather or composition leather.

AP-DJ

TOKYO ROUND NEGOTIATIONS

U.S. lobbyists step up pressure

BY DAVID BUCHAN IN WASHINGTON

MR. ROBERT STRAUSS, the Texan politician turned trade negotiator, has been fighting his trade war on two fronts.

His skirmishes, truces, dust-ups with the likes of Messrs. Wilhelm Haferkamp and Nobuaiko Ushiba—his opposite numbers in the European Community and Japan—have received due and extensive coverage.

By contrast, his domestic battle still rages.

The first round of the campaign—the pitch by business, farmers and unions to influence his hand at the GATT bargaining table in Geneva—is now drawing to a close as the international trade talks start to wind down.

The Carter Administration is still hoping, despite various delays in trade talks this spring, that the U.S. initialling of the Geneva agreement will not slip much beyond the April 5 target date, in line with the 90-day notice the President gave Congress on January 4.

But now the Washington lobbyists are starting to work in earnest on Congress—or more precisely the House Ways and Means Committee and the Senate Finance Committee.

That is where interest groups are trying to change to their advantage what the U.S. negotiates in Geneva, and where Mr. Strauss and his Trade office battalion will attempt to stop them.

The balance of domestic reaction to the trade agreements, the Administration feels, has been favourable.

The AFL-CIO trade union federation, despite the protectionist opinions of its president, Mr. George Meany, issued only mild caveats about the trade talks at its January annual meeting. Big business has in general endorsed the GATT negotiations, even though its most ardent supporters, the multinationals, stand to lose their so-called DISC tax break on foreign earnings under the proposed new subsidies code.

President Carter this week signed a Bill enabling the U.S. to continue to waive countervailing duties on some $600m of imports. West European countries had pressed for the waiver Bill as a condition for concluding the trade talks in Geneva.

But it is not yet clear if this will translate into majority support in Congress for the trade package.

A maximum of persuasion and a minimum of appeasement is what Mr. Strauss has sought to achieve.

But appeasement there has been.

The chemical industry, which objected strongly to the Kennedy Round tariff cuts a few years ago and fought for maintenance of the higher-level American Selling Price, has stayed almost mum this time because neither the U.S. nor the EEC wanted further cuts in tariffs—Washington because it did not want to rile this sector of industry again, and the EEC because European chemical companies have many more U.S. interests and subsidiaries now than 10 years ago and thus see U.S. tariffs in a rather different light.

Access to Government contracts for small U.S. companies many of them black-owned or run, is a sensitive political issue. The administration has had to placate their fears that the proposed Geneva Code on Government Procurement would put U.S. Government contracts in the hands of foreigners.

The biggest concession has gone to the textile industry—largely in recognition of the political fact of life that its supporters on Capitol Hill are sufficiently numerous and skilful enough to snarl up the trade Bill, if they so wished.

In return for acceptance by the industry and textile unions of a modicum of tariff cuts in the GATT round, the administration in February agreed to increase export promotion and productivity incentives. Most important, it agreed to prevent "disruptive surges" of imports from the 18 countries with which the U.S. has agreements under the Multi-Fibre Arrangement.

Steel, the only other industry to match the lobbying clout of textiles, may have to be bought off too.

It is argued that American steelmakers have enough protection already, such as the trigger price system to curb cut-rate steel imports and special steel import quotas (though these run out this June). But the steel companies think otherwise, and point to the record 1978 import level of 21m tons and a trade deficit on steel last year of $5.6bn.

The steel industry does not like the public procurement code. They do not see other governments opening up their purchasing to foreigners as much as Washington, whatever the code may say. The price it seems to be putting on its neutrality in the GATT agreement debate is faster and more effective dumping controls.

A number of "fair trader" Senators want to see anti-dumping duties assessed and collected from importers more quickly once a dumping ruling is made.

Increasing doubts over deadline

By Brij Khindaria in Geneva

THE ITALIAN decision not to allow the Common Market to approve in principle agreements reached within the Tokyo Round trade negotiations has placed a further obstacle in the way of attempts to end the negotiations before Easter.

Combined with a new dispute over Customs valuation which flared up between developing and developed countries in working group talks here on Tuesday, the Italian refusal has added to the growing feeling among delegates here that a special meeting tentatively scheduled for April 11 in Geneva may end inconclusively.

The meeting was planned to allow Tokyo Round participants to initial the texts of the various separate accords reached during the five-year-old negotiations.

The initialling ceremony would have authenticated the texts, which would then have been submitted to governments for approval and then to national parliaments for ratification.

Approval by the parliaments would have cleared the way for a grand signing ceremony probably in the final quarter of the year, thus formally concluding the Tokyo Round negotiations and allowing enforcement of the various agreements early next year.

Shortage of skilled men may shut ICI works

BY SUE CAMERON, CHEMICALS CORRESPONDENT

IMPERIAL Chemical Industries has said that it may start shutting plants at its large Wilton complex on Teeside next month because of growing shortage of skilled instrument artificers.

Dr. Rab Telfer, chairman of ICI's pertochemicals division, has told employees that unless trade unions "start to co-operate over artificer training programmes" we shall have to start shutting down plants."

Dr. Telfer added that: "on present trends this could be as soon as next month."

Jobs and future investment at Wilton would be at risk if the shortage of instrument artificers was not quickly remedied.

The shortage of artificers, skilled men who look after control-room instruments began two years ago and reached crisis proportions last summer.

The shortage was made worse by refusal of unions to allow other skilled men to go on conversion training courses to become artificers.

In November, after plants at Wilton had been shut because of the shortage, the unions agreed to co-operate. In February they again withdrew co-operation after discussions on extra pay for skilled men broke down.

At a meeting of management and employee representatives last week Dr. Telfer said the number of artificers at Wilton had dropped from 255 at the New Year to 236. Numbers were likely to fall still lower by the summer.

"To fight this fall we are trying to recruit, but even if this goes fairly well we judge that by August we could be down to 180 if co-operation and retraining are not restored.

"It is now a fact that the start-up of the Wilton Olefins 6 plant, the largest petrochemical investment in the UK, is being threatened because the engineering and electrical trades unions have withdrawn co-operation."

Dr. Telfer said shutting of plant at Wilton would mean loss of "larger and larger amounts" of money in the year. There would be "lost sales, lost profit, lost bonus and eventually lost jobs." Last year's temporary closure of plants because of artificer shortage meant a loss of £10m profit and £11 sales.

ICI said that employees would be told in advance of any specific plans to shut plants. This had not yet happened.

● ICI's organics division said yesterday that it had made a profit in each of the five years 1974-78, although it had had a negative cash flow in the period. The negative cash flow had arisen because it had "spent more money than it had earned" —after making an appropriate contribution to corporation outgoings.

Talisman charges cut after pressure

BY CHRISTINE MOIR

THE STOCK Exchange Council has bowed to pressure from members and reduced the real price they must pay for Talisman, the new computerised settlement system, even before it starts on Monday.

Late in February, Mr. Nicholas Goodison, the chairman, said that the tariff outlined at the year end would apply "during the early stages of the service" despite a flood of complaints from members that it was too high.

Yesterday he announced a revised tariff which significantly reduces the costs over the great range of bargains while weighting small bargains (below £500) and the largest transactions (those above £75,000).

In addition, the general services charge, which has borne the brunt of the £15.5m development costs of Talisman, is to be cut from 2 per cent of turnover to 1½ per cent from September 1.

The original tariff had been based on annual costs of £8.9m, which included running costs and depreciation of development costs over a five-year period.

Below estimate

That base has now been reduced to £8.2m, partially because running costs are proving lower than estimated but mainly because of a decision to write off the balance of the capital expenditure on bargain accounting, the earliest stage of the transition to full computerisation.

Even after allowing for this direct cost reduction, the council is apparently predicting sufficient surpluses from Talisman to permit it to cut the general services charge.

This move has been aided by a general cost-cutting programme which will, it is claimed, reduce the Stock Exchange's overall expenditure by about £650,000 this year.

Mr. Goodison has always said that the council was sympathetic to members' pleas for charges to be reduced and would consider them "at the earliest possible opportunity." At the same time he stressed the need for the Exchange to adopt the most prudent accounting procedures in its affairs lest it be made "a laughing stock."

For this reason members had not expected the tariff to be cut before Talisman had been running for a couple of months.

The cuts will be reviewed again in July. Meanwhile small bargains will cost 1p more but the bulk of bargains considerably less than earlier indicated.

A typical £10,000 bargain will cost the broker £2.76 instead of £3.78 and the jobber £1.09 instead of £1.50.

Large bargains increase in price. At £75,000 the broker will pay £14.39 and the jobber £5.70 compared with £10.05 and £3.99.

New North Sea field goes to Shell and Esso

BY KEVIN DONE, ENERGY CORRESPONDENT

THE DEPARTMENT of Energy has given Shell and Esso the go-ahead to develop the £700m North Cormorant Field in the North Sea.

The development of North Cormorant along with the Maureen and Magnus Fields, which were also approved recently, will give a big boost to the UK offshore supplies industry, which has been suffering from a shortage of new orders.

The main initial benefits will fall to the Scottish platform construction yards, which have been bidding strongly for the new round of orders.

Shell said yesterday that the order for the steel platform for the North Cormorant Field was expected to be awarded by the end of the month.

It is understood that the favourites to win the contract are a consortium put together by Union Industrielle et d'Entreprise (UIE) of Cherbourg and Redpath de Groot Caledonian at Methil, Fife—the combination that is now building the platform for Texaco's Tartan Field — or J. Ray McDermott at its yard at Ardersier, in the Highland Region.

Phillips Petroleum is also expected to announce soon the order for its Maureen Field. Howard Doris, which built the Ninian Central platform, is emerging as one of the strongest contenders to win this contract for its Loch Kishorn yard on the west coast of Scotland.

The approval for the North Cormorant field has been given by the Department of Energy as a phased consent, a practice it has adopted for all field approvals since the go-ahead was given for Shell/Esso's Fulmar Field in June last year.

The first stage of approval extends to 1986 and further consent has been given to cover development and production to the end of 1992.

The staged approval will allow the Government to review the progress of the field's development after about four years of production. For any post-1975 discoveries submitted for future development approval, the Department is likely to insist on carrying out a review two years after the start of production.

The North Cormorant Field is located in block 211/21 about 100 miles north-east of Sullom Voe in the Shetland Islands.

The field has estimated reserves of some 400m barrels and is expected to reach a peak production rate of some 180,000 barrels a day by 1986. Initial production should begin in 1982.

Oil will be transported by the Brent pipeline system to Sullom Voe, and associated gas, which should reach a peak of about 34m-35m cubic feet a day in 1986, will be piped to the Brent gas trunk-line by the £30m "western leg" extension which is now under construction.

£2bn a year outlay in North Sea should continue, says BP

BY KEVIN DONE, ENERGY CORRESPONDENT

CAPITAL EXPENDITURE in the UK sector of the North Sea will have to continue at about £2bn a year throughout the 1980s if the country is to remain self-sufficient in crude oil production for that period, according to Sir David Steel, chairman of British Petroleum.

He told a conference in Glasgow on North Sea development that production from both the UK and Norwegian sectors would be providing about 6 per cent of the total crude oil supplies for the non-Communist world by 1980.

The oil industry should see cash gains from the UK sector for the first time later this year, when revenue from oil production would begin to exceed additional capital expenditure.

However, it would not be until after 1985 that the industry as a whole broke even on its North Sea investments (allowing a 15 per cent discounted cash flow rate of return).

Most of the main oil territories in the world had now been discovered, said Sir David. BP expected world oil supplies to reach their peak in about 10 years.

Offshore exploration costs in the non-Communist world were expected to increase from £15bn-£20bn over the five years 1980-85 to £35bn-£40bn for 1985-90.

Capital investments of more than £300bn would be required to finance oil and gas production from new and existing fields in the world from 1980-85. About one-third would be spent in Communist countries, chiefly Russia and China.

Of the remainder, about half would be invested in OPEC countries, about 10-15 per cent in the North Sea and a similar amount in the U.S.

BP's Forties Field, the most productive North Sea field so far, could extend its production plateau into 1981-82, according to Mr. John Williamson, assistant general manager of BP Petroleum and Development.

The field, which produced at an average of 491,700 barrels a day last year has reached occasional peaks of 570,000 barrels a day.

BP is considering a further development by installing one of two subsea wells to drain the small part of the field which lies in the neighbouring block licensed to Shell and Esso.

Lucas fuel system claim

By Arthur Smith, Midlands Correspondent

LUCAS INDUSTRIES claims that it has made a breakthrough in fuel injection control for motor vehicles.

A micro-processor system now in production at Birmingham gives fuel savings of between 5 and 25 per cent over a conventional carburettor system says the company.

A British car manufacturer, thought to be Jaguar, will fit the system on export models this year, but it is unlikely to be introduced in the UK for about 18 months.

Lucas say the new product marks a technical advance on the fuel-injection system which it produces in conjunction with Bosch, the West German electrical company.

Lucas approached Bosch for various components about ten years ago because of difficulties in applying its racing car petrol injection system to production engines.

The new product, known as a "digital system," has a micro-processor which matches fuel requirements faster and more accurately to the speed of the engine and load.

"This is only the beginning of the benefits we can expect to reap from nearly a decade of research and development into the application of micro-processor technology," Lucas said yesterday.

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Births up for first time in seven years

By Paul Taylor

BIRTHS INCREASED in England and Wales between mid-1977 and mid-1978, reversing a seven-year trend, according to Government statistics published yesterday.

Figures produced by the Office of Population Censuses and Surveys show that in the year ending mid-1978 there were 575,000 births, 8,000 more than in the previous year.

During the same period deaths also increased by 4,000 to 584,000 resulting in a population decrease of 9,000 compared to a decrease of nearly 13,000 in the preceding 12 months.

Net emigration was the other factor contributing to the overall population decline. There was an estimated net outflow of 6,000 people, the same as in the previous year.

The provisional estimate for the mid-1978 population of England and Wales, taking account of other small variables, was 49,104,000 — a decrease of 16,000 from mid-1977.

The figures suggest a continuing increase in the proportion of divorced people marrying again, but a fall in the number of births conceived before marriage.

In England and Wales rates of divorce are still higher than in France or Belgium but still below those of Sweden, Denmark, and the U.S. If current divorce rates persist, more than 25 per cent of those born in the early 1950s and married for the first time in the early and mid-1970s will be divorced by the time they are 50 years old, and about 20 per cent of the same group will have remarried.

Housing Corporation to spend more

BY ANDREW TAYLOR

THE HOUSING CORPORATION, which provides loans for nearly 3,000 housing associations, has announced plans to increase spending in 1978-79.

The Corporation intends to fund 36,550 new homes and home improvements in England, an increase of 9 per cent over 1977-78.

It plans to finance 2,300 homes and home improvements in Wales, compared with 2,000 in the previous year. The figures are subject to the Government's approving the Corporation's annual cash limits.

The Corporation takes particular interest in providing finance for homes for the elderly. It says that over 50 per cent of its funds for new houses will aim at projects for old people.

A greater share of its funds will go to the North-West, where it plans to fund 3,260 new homes and 5,000 home improvement schemes.

Its increased spending reflected Government confidence in its work and brought its "programme back into line with what was planned before the 1976 expenditure cuts."

There were criticisms recently of its accounting methods, and it was the subject of an investigation by the Public Accounts Committee.

The Housing Bill, published two weeks ago, included provision for tighter control of the Corporation's affairs.

NEDC 'buy British' drive for local councils

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A CAMPAIGN to improve liaison between local authorities and industry is to be launched by the National Economic Development Council. The aim is for councils to buy fewer foreign goods.

First a pilot exercise by seven NEDC sector working parties will cover various parts of manufacturing industry, with a selection of councils.

"The aim will be to carry out a systematic study of what is imported and why, with the aim of ensuring that British producers know what local councils require and why they are not always successful in winning contracts," Mr. Geoffrey Chandler, director general of the National Economic Development Office, said yesterday.

This follows a report to an NEDC meeting yesterday by Mr. Peter Shore, Environment Secretary, in which he said that more than 4 per cent of local council purchasing was done abroad, "a very small proportion" of the councils' £2bn spending budget.

"Where they do buy imported goods, this is usually justified in terms of value for money or unavailability of comparable UK products."

The pilot exercise will cover paper and board; heating and ventilating; construction equipment; clothing; computers; office machinery; and food and drink.

Working party of top scientists will study bio-technology

BY DAVID FISHLOCK, SCIENCE EDITOR

THREE of Britain's top scientific bodies are forming a working party to study a new technology expected to be of widespread commercial interest.

Senior scientists from industry, Government laboratories and universities will advise Government on the industrial opportunities of bio-technology.

The three bodies are the Government's Advisory Council for Applied Research and Development, under the chairmanship of the Lord Privy Seal; the Advisory Board for the Research Councils, which advises the Secretary for Science; and the Royal Society.

The chairman of the bio-technology working party is Dr. Alfred Spinks, research director of ICI, which has already founded the manufacture of a product—factory-made protein —on bio-technology.

Also in the working party is Mr. Austin Bide, chairman of Glaxo, which uses bio-technology in the manufacture of pharmaceutical products.

Sir William Henderson, chairman of the Genetic Manipulation Advisory Group, the Government's watchdog committee on "genetic engineering," is deputy chairman of the working party.

Concorde complaints by Lebanese

By Michael Donne, Aerospace Correspondent

THE LEBANESE Government has complained to the UK about Concorde noise. Talks are in progress to find ways of alleviating the disturbance, perhaps by varying the flight path.

The complaints have come from the Akkar region of the Lebanon, over which the British Airways Concordes fly supersonically to and from Bahrain three times a week.

The complaints are that the aircraft's sonic boom has caused disturbance through noise and physical damage to houses and the walls of water reservoirs. Beirut Radio has said that more than 2,000 complaints had been filed against British Airways.

According to the radio, the Lebanese Minister of Public Works had given British Airways a week from March 30 to make good the damage caused, and pay compensation, or risk losing the right to fly across Lebanon.

British Airways could not confirm such an ultimatum yesterday, but agreed that it had received complaints. Those were being investigated directly, while the UK Department of Trade is in touch with the Lebanese Government on the matter.

The most likely measure is for British Airways to change the Concorde flight path, to avoid built-up areas as far as possible. The original route across Akkar was chosen with the approval of the Lebanese Government to avoid Beirut.

British Airways would prefer to avoid if possible slowing Concordes to subsonic speed while passing Lebanon because that would remove some of Concorde's time advantage over subsonic jets.

Concordes fly supersonically from just south of Venice to a point close to Bahrain before slowing to subsonic speed.

Neil Ashley to head Tarmac International

By Michael Cassell

MR. NEIL ASHLEY, managing director of Amey Roadstone Construction, has been appointed chief executive of Tarmac International.

Mr. Ashley, who is 42 and joined Amey from Costain in 1968, will be joining the main Tarmac board and reporting to Mr. Robin Martin, chairman and chief executive.

Tarmac's international civil engineering operations suffered through heavy losses incurred by its subsidiary Cubitts Nigeria in 1977, which led to Mr. Bill Francis, group vice-chairman in charge of overseas activities, resigning.

Tarmac is negotiating the sale of its 60 per cent share in Cubitts Nigeria—acquired when it bought Holland Hannen and Cubitts from Drake and Scull in 1976—to a Middle East consortium.

The company has also decided to halve its loss-making West German roadstone and contracting operations through plant closures and sales to local companies.

Brent Walker hotel deal

BY ANDREW TAYLOR

BRENT WALKER, the leisure and property group, has announced an £11½m deal to convert the former Debenham and Freebody department store in Wigmore Street, London, into a five-star 160-room hotel.

Brent Walker is understood to have agreed to pay between £3m and £3.5m for the freehold.

The group owns two country clubs in the UK and recently opened the El Salam hotel, Cairo, where it plans to build two more hotels.

Mr. George Walker, managing director, said last night that hotels were a natural extension of the group's restaurant business and Brent Walker planned to open more hotels in the UK. He said that the group had looked at one or two hotels in London before the Debenham deal. "These were either in the wrong place or the price was too high," said Mr. Walker.

UK unit trusts lead table of best performers

Financial Times Reporter

UNIT TRUSTS investing primarily in the UK predominate in the table of best-performers in the first three months of this year.

The table, compiled by Planned Savings magazine, is headed by Henderson Capital Growth, whose offer price has risen 40.6 per cent so far this year. Schlesinger Property Shares, up 40.2 per cent, is in second place and G T Capital, up 33 per cent, in third.

Four funds run by the Britannia group figure in the top 10: Property Shares, Universal Energy, New Issues and Professional.

Funds invested in foreign shares predominate at the bottom of the table—six Far Eastern funds and four European-oriented funds make up the bottom 10.

Anti-pollution measures upheld

BY LYNTON McLAIN

THE GOVERNMENT has accepted the need for most of the measures against pollution at sea called for in January by a select committee of MPs.

The main recommendations which called for more Government expenditure on anti-pollution measures have been accepted almost without question.

Ministers have agreed to buy six hydrographic survey vessels, at an estimated cost of £30m and there are to be two more short-based training simulators for bridge officers at a total cost of £1m.

But Britain's territorial limit is not to be extended from three miles to 12 miles as demanded by the MPs.

Mr. Stanley Clinton Davis, Under-secretary for trade, said yesterday this would possibly be a helpful measure, but there were other considerations including the current United Nations Law of the Sea conference. Nothing could be decided unilaterally.

Mr. Davis welcomed the MPs' initiative in examining measures to prevent the collision and stranding of vessels. The investigation started after last year's Amoco Cadiz disaster which spilled 230,000 tons of oil on the Brittany coast.

Rail livestock service halved

BRITISH RAIL is to halve the number of stations with facilities to handle unaccompanied livestock.

Posters will be displayed at all stations where the service is being stopped and will list the nearest station continuing the service. The list can be obtained from British Rail.

AA backs mail-order plan

FINANCIAL TIMES REPORTER

THE Automobile Association and the automotive components group Quinton Hazell have linked to offer the UK's first mail-order service for car parts, tools and accessories.

The scheme will be launched next month, when the AA distributes 100,000 catalogues

Quinton Hazell will be the sole supplier to the AA, but will provide a wide range of components from other groups.

Prices will be "similar to those offered at traditional retail outlets."

● "Do-it-yourself" motorists can save themselves about £100 a year on servicing and repairs, says a report in Motoring Which. It suggests that the Soviet-built Lada is the best car available in the UK for ease of servicing and tools provided. The Citroen 2CV and Dyane, it says, are the most difficult.

Report rules out VAT changes

BY DAVID FREUD

PROPOSALS to eliminate Value Added Tax in transactions between registered traders are ruled out in a report published yesterday.

The proposals, made last year by the Consultative Committee of Accountancy Bodies, would have made indirect tax on goods and services almost the same as purchase tax, which VAT replaced in 1973.

The tax would have been collected from consumers at retail level, rather than through remittance and recovery at several stages, as at present.

After the recommendations a working party was set up comprising the CCAB, the Confederation of British Industry, the Retail Consortium, the Federation of Wholesale and Industrial Distributors, and the Customs and Excise.

In its report, all the members of the working party, except accountants, considered the advantage to lie in retaining the present VAT system.

The report gives four main reasons for retaining the present system. A single-stage VAT would be subject to more evasion, it would have an adverse cash flow effect for manufacturers and wholesalers, it would not be so flexible and it would be counter to EEC law.

The report says that a disproportionate amount of VAT errors, under declarations and fraud occur at the retail stage and the accountants' proposals would tend to concentrate responsibility on the sector "where the potential for abuse is greatest."

AEI pensioners to have share in £12m

BY ERIC SHORT

MEMBERS AND former members of the Associated Electrical Industries pension scheme are to receive £12m after an actuarial valuation.

However, the AEI Pension Fund Members' Action Committee is expected to go ahead with its contemplated action in a dispute with the trustee of the scheme and with General Electric Company, the parent of AEI.

The actuarial valuation for 1977 has disclosed a surplus of £13m on the fund, valued at £114m. The £12m being distributed will boost pensions being paid by amounts varying from 30 per cent for pensions starting before November 1, 1973, to 5 per cent for those starting in the year beginning November 1, 1977.

Similar increases are being made to former members of the scheme for deferred or "frozen" pensions.

GEC says that pensions have been increased regularly by the trustee, the latest increase coming last May. The latest proposed increase, on top of the contractual 2½ per cent annual increase, should go far towards maintaining the real value of pensions. The increases will be implemented by May 1.

GEC took over AEI in 1968 and soon afterwards the AEI pension scheme was closed to new members. Changes were made to the scheme and GEC is proposing further changes.

They have been opposed by the action committee established to protect the interests of scheme members.

GEC was recently granted approval by the Occupational Pensions Board to change certain provisions in the trust deed, which the action committee disputes.

It has asked the board to review its decision. Should that move fail, legal action against the trustee is being contemplated.

GEC hopes to demonstrate that in its latest action it has the best interests of its members uppermost in its considerations. The fund is valued every three years, and the trustee must decide how to dispose of any surplus disclosed by an actuarial valuation.

Several choices are available, but the trustee has decided to use the money to improve existing pensions and benefits to members. No part of the surplus is going back to GEC.

To try to resolve the fears of the action committee, the trustee invited Philip Moody and Company, the committee's solicitors, to a meeting to explain the proposals for distributing the surplus, before informing the pensioners.

Breached

GEC said yesterday that it understood that the meeting was "off the record" and regrets that the undertaking given appears to have been breached. Formal approval of the proposals has not yet been given by the trustees or the company.

The committee has expressed pleasure at the improved pensions but feels that it has little bearing on the current dispute. That centres on the validity of GEC's changing the trust deed of the scheme.

Japanese pay top price for modern art

SALEROOM

BY ANTONY THORNCROFT

SOTHEBY'S continued the week of Impressionist and modern art sales in London yesterday with pictures and sculptures fetching £434,740 in the morning and watercolours and drawings selling for £568,640 in the afternoon.

Japanese dealers were active once again. Umeda paid the top price in the morning of £15,500 (plus the 10.8 per cent buyer's premium) for Vase de Fleurs by Vlaminck.

Other high prices in this session were £14,000 for La Clairière by Renoir; the same sum for La Maison de Mimi Pinson rue du Mont Cenis by Utrillo; and £13,500 for Rue à Montmartre by the same artist. Rue à Sainte Adresse by Dufy sold for £13,000.

In the afternoon a watercolour Scene from Ibsen's "Ghosts" by Edvard Munch sold for £27,000 and Knabe Akt by Egon Schiele for £26,000. The Armand Hammer Foundation acquired the first six lots for £63,600, paying £24,000 for a pen and ink drawing of a legal scene by Daumier. The City of Mons paid £18,000 for Les Becheurs (après Millet) by Van Gogh, which had been drawn in Brussels in 1880.

A proclamation signed by Simon Bolivar shortly after he had driven the Spanish from Guyana during the Venezuelan War of Independence sold for £10,200 at Christie's yesterday to Garbit, a London dealer who specialises in material of South American interest. It was the top price in a sale of autograph letters and manuscripts which totalled 75,305.

A series of notes, mostly in Dutch, by Colonel Robert Jacob Gordon about the exploration of Southern Africa written between 1777 and 1786 made £10,000 and 53 letters by Charlotte Elizabeth of Bavaria, the sister-in-law of Louis XIV, made £7,500.

A critic of the French court where she was the wife of Monsieur, the King's brother, the letters display an unparalleled frankness and wit. Burns Monument paid £2,500 for an autograph transcript of the last six lines of The Bonnie Banks of Ayr.

House prices 'up by about 5% in first quarter'

BY MICHAEL CASSELL

HOUSE PRICES are still rising rapidly, according to the Nationwide Building Society.

It says that house prices rose by an average of 5 per cent in the first three months of the year — a traditionally quiet period for the market.

The increase represents a repeat of the rises recorded in the same quarter of 1978—when prices rose by almost 30 per cent on average — but shows a 1 per cent drop from the rate registered in the final three months of last year.

The figures show that average prices in some regions rose even higher. In Greater London, the East Midlands and Wales average prices were estimated to have increased by as much as 7 per cent.

In the last 12 months, according to the society, house prices generally rose by an average 27 per cent, with little difference registered between new and second-hand properties. In London, the average rise was 33 per cent, with increases of over 30 per cent recorded in the rest of the South-East. The lowest increases were in Scotland.

If the figures represent an accurate reflection of the position of the housing market, they suggest that recently the situation has been broadly similar to that existing a year ago. At that time the Government called on societies to trim lending to prevent a house price explosion.

The issue of house prices is not likely to be given much immediate attention in the present political situation but if they continue to rise at the rate apparently estiblished in the first few months, they could become a priority issue for the next Government.

But, while another Labour Government might wish to reinforce lending ceilings, it seems likely that a Conservative administration would permit the market to move freely and find its own level.

For the time being, many societies would in any case be hard pressed to lend much more than the £700m monthly target now being met. There are also indications in the Nationwide figures that house prices have again returned to their traditional relationship with earnings, implying that further substantial increases in the medium-term are unlikely.

Mr. Leonard Williams, chief general manager of the Nationwide, said that demand for mortgages continued to be strong, despite the mortgage rate of 11¾ per cent. The society had been raising lending to meet the demand and was providing a record £223m in loans during the first quarter. Lending is being further increased this month.

Meat products factory to make 128 redundant

BY CHRISTOPHER PARKES

ABOUT 128 of the 1,400 workers at the Telfers pie and processed meat factory in Northampton are expected to be made redundant after negotiations this week between management and unions.

Recently, 229 jobs were lost in the nearby meat products factories run by Brooke Bond Liebig.

Telfers, part of Lyons, said that sales of pies, sausages, hamburgers and similar products, notably to industrial outlets such as factory canteens, had fallen.

Some of the staff losing their jobs are to be offered work elsewhere in Lyons. Negotiations on the terms of redundancy are expected to be complete by the weekend.

Last weekend Brooke Bond Liebig announced the closure of Brooke Farm Frozen Foods, which specialised in meat products and had a turnover last year of £3.5m. The closure cost 79 jobs among Brooke Farm depot staff and administrators and a further 150 in the Baxters arm of the group, which supplied Brooke Farm produce.

The company said that smaller operators were meeting increasing difficulty in competing with the giants in the frozen food industry.

The redundancies add to the rapidly growing list of casualties in the meat processing industry. The Bacon and Meat Manufacturers' Association said that three bacon factories had shut recently, with several smaller meat product companies.

Fresh meat prices are steady, although home-produced lamb is 1p or 2p a pound dearer this week, and beef is expected to become more costly before the summer as slaughterings fall.

VC-10 conversion deal for British Aerospace

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AEROSPACE has been awarded a £40m contract by the Ministry of Defence to convert nine VC-10 airliners into air-to-air refuelling tankers for the RAF.

The aircraft—five from Gulf Air and four from East African Airways — were bought some time ago, and have been kept at the British Aerospace factory at Filton, Bristol, for some months, awaiting the go-ahead for conversion.

The aircraft will be extensively modified to carry thousands of gallons for transfer to Phantoms and Lightning fighters, and eventually Tornado combat aircraft, which patrol far out over the North Atlantic.

The RAF, in support of NATO, conducts regular fighter patrols in the Atlantic, and has intercepted many Soviet long-range reconnaissance aircraft over UK and Western European air space.

With the build-up of the UK and NATO air defence forces, there is a growing need for more refuelling tankers to help the existing two squadrons of Victor tankers.

The conversion work will provide employment for several hundred workers at a time when Concorde work is running down rapidly. The first converted VC-10 will enter RAF service in the early 1980s.

Beer production steady

BY OUR CONSUMER AFFAIRS CORRESPONDENT

BEER PRODUCTION in February showed little increase over the same month last year, according to figures released yesterday by the Brewers' Society.

Output was 2.8m bulk barrels, a rise of only 0.3 per cent on February, 1978.

The society notes that poor trading caused by the bad weather was offset by retail outlets' stocking up to fill the gaps caused by the lorry drivers' strike in January. Some increased stocks to beat possible duty increases in the Budget.

CONTRACTS

Fook Lee in Hong Kong road building project

THE FIRST contract for the Hong Kong Government's HK$250m (£25m) road construction and improvement programme in the New Territories, has been awarded to **FOOK LEE CONSTRUCTION.** Worth more than HK$43.8m (£4.5m), the contract is part of a comprehensive road construction and improvement programme planned for two new towns.

★

The Hong Kong Public Works Department has awarded a HK$7m (£700,000) contract to **SWIRE AND MACLAINE** for machinery for the initial stage of the Pillar Point sewage treatment works in Tuen Mun in the New Territories.

★

T. HEADLEY has won two contracts worth £1.7m. One is for housing worth £1.2m to be built on a site at Chaucer Road, Canterbury, for Canterbury City Council. The other is for building 34 old people's flats and the conversion of a listed building into warden's accommodation for £500,000 in the High Street, Rainham for Gillingham Borough Council.

★

CORRALL CONSTRUCTION has been awarded a £867,000 contract by the Greater London Council for repair work and decorations at the Chinbrook Estate, Grove Park, London.

★

AN ORDER valued at more than £500,000 has been placed with **PEABODY HOLMES** by the British Steel Corporation for a bag filter gas cleaning plant to be installed in the melting shop at its Aldwarke Steelworks, Rotherham.

★

ABBEY ELECTRONICS has been awarded a £256,000 contract by British Rail for an electronic wheelslide slip equipment for use of HS 125 high speed-trains. The company has also won a £131,000 order from the Ministry of Defence (Procurement Executive) for Clansman installation kits.

● NEWS ANALYSIS—WHY MOSTEK IS GOING TO IRELAND

Bitterness over a lost deal

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE NEWS that Mostek, one of the biggest U.S. semiconductor manufacturers, is to go to the Irish Republic for its European microchip production base, has caused much bitterness in Scotland about the way in which Britain seeks to attract foreign investment.

Mostek had looked at the UK, rejected it as a site, and virtually settled on Eire when, last September, the news reached the Scottish Development Agency in Glasgow.

The agency had selected electronics as an industry that it wanted to attract to Scotland, and had identified its counterpart in the South of Ireland, the Irish Development Agency, as its main competitor in trying to secure American investment.

It knew that it had only a slim chance of persuading Mostek to change its mind. Nevertheless a team went to Dallas to see the company.

The odds were heavily against Scotland. Mr. L. J. Sevin, Mostek's president, had just finished an action in the Texas courts to prevent some of his senior executives from leaving the company to join Inmos, the National Enterprise Board-backed British micro-electronic venture. He took a lot of persuading that the Scottish agency was in any way different from the NEB.

Eventually he softened, however, and last October visited Scotland after a trip to Ireland. He was taken to several successful U.S.-owned electronics companies, including Hewlett-Packard at South Queensferry, which, for the past three years, has made better profits than any of the 14 other divisions in the company's instrument group, and to the Ayrshire factory of Digital Equipment, Mostek's largest customer.

After seeing advanced research in Scottish universities, Mr. Sevin said that he was enthusiastic about the prospects for a Mostek plant on the site he had been offered in Irvine new town, Strathclyde.

From then on, things started to go wrong.

In Ireland, Mostek executives had had to deal only with the development agency, which gave them a comprehensive view of what was available in financial incentives, local services, and sites. It had authority to negotiate final terms.

In Scotland, the same men had to be passed from the Scottish Development Agency to local authorities and finally to the Department of Industry. Although the Department delegates many functions to the Scottish Economic Planning Department in Glasgow, the Mostek men had to be taken to London to see senior civil servants, who were less than enthusiastic.

The industry says that the Department of Industry's opposition was partly as a result of pressure from the NEB, which objected to a competitor to Inmos setting up in the UK.

The agency angered the department by bending its guidelines to offer a financial package closer to that offered by Ireland. Civil servants were concerned that the cost for each job was excessive and were unimpressed by the argument that the extra cash was justified by the advanced technical skills that Mostek would bring to Britain.

Yet in spite of the ability of the Irish agency to offer more attractive financial terms, the company saw several advantages to settling in Scotland. They included the much more developed industrial base (there are 107 electronics companies in Scotland, most of them U.S.-owned) and the greater availability of graduate technical staff.

Mostek delayed its decision even after placing its first orders for capital equipment. The final straw came two weeks ago when the Department of Industry refused the company the usual 20 per cent industrial development grants on the first phase of its plant, on the ground that the initial development could not be considered as manufacturing.

The company wanted to establish a test facility as its first step towards producing in Europe, to test microchips imported from the U.S. and Far East. Thereafter, however, it proposed to move within five years to second and third phases involving manufacture and research and development.

The £40m plant would have employed 1,100 people and given the UK a lead in mass production of microchips in Europe.

Councils' news ban declared 'threat to public interest'

FINANCIAL TIMES REPORTER

DISCRIMINATION BY some local authorities in releasing news during a journalists' strike was deplored by the Press Council yesterday as an unacceptable threat to the public interest.

The Press Council declared that elected representatives of the public were responsible to the whole public and should not impede the free flow of information that the public had a right to know.

The council had investigated a complaint by Mr. Norman Tebbitt, MP, that Waltham Forest Borough Council had instructed its officers, during recent industrial action by journalists of the Waltham Forest Guardian and Independent, not to provide information to persons who appeared to be doing the work of the journalists engaged in the district.

In the recent strike by provincial journalists belonging to the National Union of Journalists, several instances had occurred of similar reaction by local authorities.

"The Press Council reiterates the view it expressed on a previous occasion that any person elected to a public body and having direct or indirect control of the dissemination of news which the public has a right to know must regard himself as having a responsibility to the public as a whole and is not justified in discriminating between contending groups when such discrimination is calculated to impede the free flow of information.

"The Press Council points out that disregard of this principle is a particularly serious threat to the public interest.

"Whatever the politics, the party or the individual interest concerned may be, the principle of unfettered and non-discriminatory dissemination of news must apply."

UK NEWS — LABOUR

BOND DRAWINGS

AUSTRIAN GOVERNMENT GUARANTEED CONVERSION LOAN 1934-1959 BRITISH TRANCHE

AUSTRIAN GOVERNMENT 4½ PER CENT GUARANTEED STERLING BONDS

[illegible]

BANK OF ENGLAND

COMPANY NOTICES

M.T.D. (MANGULA) LIMITED

(Incorporated in Rhodesia)

[illegible]

THE MESSINA (RHODESIA) DEVELOPMENT COMPANY LIMITED

COMPANY NOTICE

PARIS AIRPORT

[illegible]

CREDIT LYONNAIS-LUXEMBOURG

TDK ELECTRONICS CO., LTD.

[illegible]

AMSTERDAM DEPOSITARY COMPANY N.V.

PUBLIC NOTICES

[illegible]

LEGAL NOTICES

THE COMPANIES ACT, 1948

[illegible]

ANNOUNCEMENTS

TEXAS COMMERCE BANK

[illegible]

EXHIBITIONS

[illegible]

TRAVEL

[illegible]

CLUBS

[illegible]

Two Civil Service groups reject latest offer

BY PHILIP BASSETT, LABOUR STAFF

CIVIL SERVICE pressure against the Government's final offer to 600,000 white-collar civil servants of 9 per cent plus further staged rises increased yesterday as two more rejected the deal.

The Prison Officers' Association suspended their overtime ban and work-to-rule, which by yesterday had created a state of alert in 23 prisons. The union's executive decided the offer was a basis for negotiation, but wanted further improvements.

The Civil Service Union, which represents about 47,000 lower-grade staff, took the same line but called for an urgent meeting of the members of the staff side of the Civil Service National Whitley Council to achieve unity and improve the offer.

The CSU wants the staff side to seek improvements on the 9 per cent increase to be paid on April 1 this year, to seek a formula to benefit most civil servants, particularly the lower paid, and to bring forward payment of the second phase of the rises, recommended by the Pay Research Unit, due under the offer from March 31 next year.

The union also wants the staff side to co-ordinate further selective industrial action if necessary.

The First Division Association, which represents 10,000 senior civil servants, decided yesterday to accept the offer. But in line with the only other acceptance—from the Association of Government Supervisors and Radio Officers—it wants a further improvement.

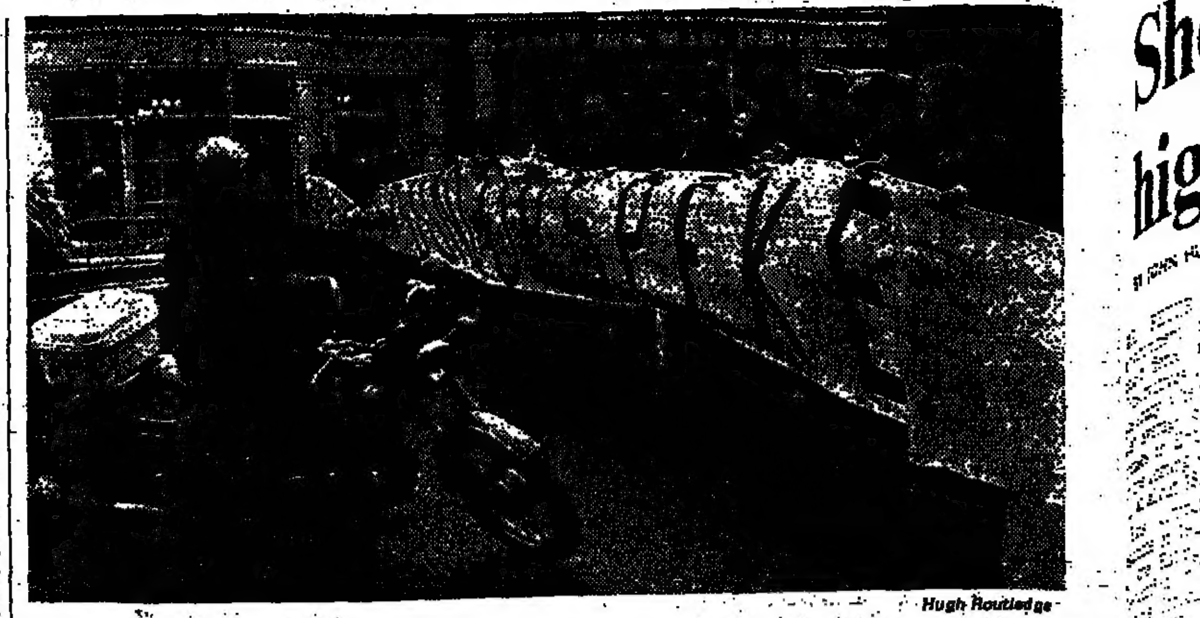
Leaders of all eight unions will meet today to hear a motion of no confidence in the staff-side from the Civil and Public Services Association and the Society of Civil and Public Servants, the two largest unions, which have spearheaded the campaign of selective strikes.

Staff side officials and the other unions will try to close the divisions between the unions and to preserve the 60-year-old system of co-ordinated pay bargaining and trade union representation.

About 2,500 civil servants, mainly members of the CPSA and the Society are involved in selective strike action aimed at disrupting Government and business operations.

● Michael Dixon, Education Correspondent writes: Teachers' unions yesterday rejected a 9 per cent pay rise from April 1 plus a reference to the Standing Commission on Pay Comparability over the rest of their 36.5 per cent claim.

The offer, an improvement from 8 per cent, was made at a meeting of the Burnham pay-negotiating committee in London, and affects 482,000 schoolteachers in England and Wales.



Hugh Routledge

WORKERS at Dunlop's Speke plant, due to be shut down later this month, blocked St. James's Street, London, for a short period yesterday and occupied the company's Ryder Street headquarters, writes Nick Garnett.

As part of a civil disobedience campaign in protest at the planned closure of Speke and redundancies at two other of the company's factories, a group of Speke workers reached the fourth floor of the building and took over the Boardroom.

Leaders of the demonstrators attempted to see Sir Campbell Fraser, the Dunlop chairman, but were told that he was not in the building. The occupation, which lasted less than half an hour, ended peacefully with the workers leaving on their own accord.

A statement from the Dunlop joint action committee said that the campaign of civil disobedience, which has included the occupation of Merseyside radio stations would be stepped up outside Merseyside.

The Transport and General Workers' Union has been considering the legal implications of mounting a major blacking operation of Dunlop products. The action committee claimed yesterday that production workers at a number of car plants were now refusing to put Dunlop types on cars.

The action committee said everything possible would be done to halt the movement of Dunlop products. The use of "flying pickets" would also be extended. The 11 Dunlop unions are also trying to arrange another one day strike throughout Dunlop's UK operation.

The company has announced the closure of Speke on April 19 with the loss of 3,100 jobs as part of a rationalisation programme. It also wants to reduce staff at Fort Dunlop, Birmingham, by 500 and at Inchinnan, Glasgow, by 250.

Airport meeting today

MANCHESTER AIRPORT firemen will meet today to consider the next move in a dispute which has halted all flights for two days.

The airport was closed for safety reasons on Monday night after the men refused to lift a work-to-rule in support of a pay claim and were suspended.

About 160 flights were affected yesterday.

In national pay talks this week, airport firemen were offered an increase worth £7.50 per week and the Manchester management says the men could receive another £13 by accepting a productivity scheme. This would involve agreeing to a reduction of one man per shift.

Theatre strike talks break down

BY OUR LABOUR STAFF

TALKS aimed at resolving the 12-day-old unofficial strike by stage-hands at London's National Theatre broke down yesterday following what the management claimed was union failure to give two key assurances.

The strike over pay which has seriously disrupted performances and was estimated last weekend to have cost about £145,000 in lost revenue. It is the sixth incident of unofficial action at the theatre since August, 1976.

Management has been seeking assurances that there will be no further unofficial strikes by members of the National Association of Theatrical, Television and Kine Employees and that the strikers will be disciplined.

Mr. John Wilson, general secretary of NATTKE, accused management yesterday, however, of refusing twice to take up the union's offer to persuade the 28 strikers to return to work.

He also claimed that deadlock had been reached when management failed to accept the need—written into the union's constitution — for executive members to hear appeals against disciplinary action taken against them.

Mr. Wilson said that an offer had been made to warn members at the theatre that unofficial industrial action would no longer be tolerated by the executive and that disciplinary action would be taken against those who defied procedures agreed between management and union.

He would today continue to seek talks with management which had so far taken place under the aegis of the Advisory Conciliation and Arbitration Service (ACAS).

Weighell seeks world campaign to reduce rail workers' hours

BY OUR LABOUR STAFF

MR. SID WEIGHELL, general secretary of the National Union of Railwaymen, yesterday called for a "world-wide campaign" by rail workers for a shorter working week to cut unemployment.

The Railway Staff National Tribunal is at present considering claims from all three rail unions for reductions in the working week, though British Rail has said that a 35-hour week in the industry would add at least £145m or 12.5 per cent to the pay bill.

Mr. Weighell told the railwaymen's section conference of the International Transport Workers' Federation that 23,000 additional rail jobs would be created if British Rail conceded the 35-hour week claim.

If the claim was applied throughout the European rail industry, he said, more than 150,000 jobs could be created.

He said that although a 35-hour week had been TUC policy since 1972 it had not been given priority. "Not one trade union in Britain during the latest pay round has given priority to the shortening of the working week. All have scrambled for the biggest pay increase."

The union's conference in June will face a motion, though, calling for a concentrated campaign for a phased reduction of the retirement age to 60 and then 55 over four years instead of pursuing a 35-hour week, which, the motion claims, would fuel inflation and increase the amount of overtime worked.

A number of motions call for the union to negotiate a "substantial" increase in pay and a minimum wage of £65 a week. Present basic rates for railmen are £44.70-£55.30, though British Rail has offered all three unions increases of 6.38 per cent. Pay talks will resume next week.

Other motions call for opposition ot "any form of social contract or concordat," though these seem unlikely to affect the union's traditional Labour support.

Cars bill for council

SHEFFIELD city council is faced with an estimated £70,000 bill for employees' car allowances by a decision of Mr. Justice Michael Davies in the High Court yesterday.

The judge was asked by the council to settle a dispute with NALGO over regulations on the allowances.

The dispute arose in April 1974 when a system of lump sum payments was introduced for employees using their own cars to work. The union claimed additional payments if cost to their members exceeded the lump sum.

The council, said the judge, argued that if employees spent less than the allowance it was their good luck, if more, their bad luck.

He held that the council's view would be "an intolerable burden on an employee." Not only were employees entitled to the additional payments, but were also under no obligation to refund money if they underspent their allowances.

After the hearing a NALGO spokesman said about 500 union members who either overspent their allowances or underspent and repaid the excess to the council would claim refunds for the duration of the scheme, which ended last spring.

Joint study at ICI demanded by ASTMS

THE ASSOCIATION of Scientific, Technical and Managerial Staffs demanded a joint ICI-union committee yesterday to analyse the company's organics division, where up to 3,000 redundancies are in prospect.

The association says that until agreement is reached on the basis of joint proposals there should be "no moves, plans or changes which would facilitate the loss of jobs originally proposed by the company."

It has asked the company to shelve its redundancy timetable for six month pending further discussions, but this has been refused.

Union row threatens London homes policy

BY PAULINE CLARK, LABOUR STAFF

A ROW between two local government unions is posing a fresh threat to the Greater London Council's politically sensitive housing transfer policy.

The executive of the National and Local Government Officers' Association will consider this weekend whether to ban co-operation with the policy—just as the rival GLC Staff Association looks near to lifting its six-month blacking of the plan.

Implementation of the policy has already been postponed from April to October and now there are fears that another revision of the timetable will be needed if industrial relations within the GLC continue to cause trouble.

Behind the new dispute is a threat by the 17,800-strong staff association to press for NALGO to lose its only seat on the GLC Whitley staff negotiating body.

This follows NALGO's resistance to the staff association's desire to achieve recognition on the negotiating bodies in the borough councils. The TUC-affiliated associations' demands are connected with projected plans to transfer 2,000 housing staff from the GLC to the boroughs when the new housing policy takes affect.

Left wing dislike of the policy is well known and the staff association makes no secret of its fears that it will create "trapped" council house tenants within the boroughs.

Both unions, however, deny that the troubles confronting the GLC in implementing the policy are politically motivated.

The staff association said yesterday that good progress was being made in reaching agreement with the employers side on ensuring that staff transferred to the boroughs will continue to benefit from the superior pay and conditions of work which it has achieved within the GLC.

Post delayed but action eases

LETTERS and parcels still face delays of up to three days although London postal workers have eased last week's unofficial action.

Serious congestion at the capital's two main sorting offices in Liverpool Street and Paddington—which deal with 30,000 bags of mail a day—is continuing despite attempts to clear the huge backlog.

"Not all the overtime that is available at these offices is being worked," said a spokesman.

Union members at Southend-on-Sea who have been holding up mail to and from the Access bank card headquarters returned to normal working yesterday.

Card holders settling their accounts by mail were advised to use the giro credit transfer system to avoid incurring extra interest payments. It is expected to take about two days to clear the Southend backlog.

The Post Office offer of 12 per cent is being put to ballot and the result should be known early next month.

Pottery ballot

BALLOTING started yesterday among 50,000 pottery workers in Stoke-on-Trent to decide whether to accept a 12 per cent pay deal. The Ceramic and Allied Trades Union national executive have recommended acceptance of a 10 per cent rise plus a 2 per cent productivity bonus and an extra day's holiday with pay.

Steel deal

By Our Labour Staff

A 9 PER CENT pay and holidays agreement was reached yesterday for another 8,000 British Steel Corporation employees, the BSC said.

Agreements were signed with the National Union of Blastfurnacemen for 3,000 staff, and with the General and Municipal Workers Union for 5,000 manual workers.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemployed	Vacs.
1977							
4th qtr.	105.8	101.8	100	104.7	239.6	1,431	157
1978							
1st qtr.	107.0	102.2	99	106.4	246.4	1,409	188
2nd qtr.	110.7	104.5	95	107.9	254.4	1,367	213
3rd qtr.	111.4	104.9	103	110.7	266.6	1,380	213
4th qtr.	109.6	102.5	113	111.7	273.0	1,340	234
Oct.	108.5	101.7	100	110.2	267.9	1,360	228
Nov.	109.4	102.3	130	110.5	269.7	1,339	231
Dec.	111.0	103.4	110	113.8	279.3	1,321	231
1979							
Jan.	104.4	94.9		109.6	273.1	1,339	235
Feb.				110.4	275.4	1,363	231
March						1,350	236

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1977							
4th qtr.	104.7	97.4	114.3	98.3	94.8	100.0	20.7
1978							
1st qtr.	105.2	98.8	116.2	99.9	96.8	98.0	17.8
2nd qtr.	107.8	98.2	122.4	99.8	107.4	101.3	27.1
3rd qtr.	107.6	99.8	123.2	100.8	101.2	103.9	23.0
4th qtr.	105.8	96.2	123.0	95.8	97.5	101.2	20.1
Sept.	107.0	99.0	122.0	99.0	100.0	102.0	25.6
Oct.	105.0	96.0	121.0	96.0	97.0	100.0	[illegible]
Nov.	106.0	96.0	122.0	95.0	93.0	103.0	20.7
Dec.	106.0	97.0	126.0	97.0	102.0	101.0	15.3
1979							
Jan.	100.0	94.0	118.0	94.0	79.0	95.0	9.9

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1977							
4th qtr.	117.3	102.4	− 16	+580	−659	102.4	20.59
1978							
1st qtr.	119.6	113.8	−590	−361	−620	105.4	20.67
2nd qtr.	122.2	110.0	−173	+135	−414	104.5	16.75
3rd qtr.	124.9	114.4	−365	− 49	−501	105.7	16.55
4th qtr.	125.1	112.8	− 1	+359	−480	106.7	15.7
Nov.	122.6	114.1	−108	+ 12	−162	107.3	15.6
Dec.	126.7	113.0	+ 67	+187	−183	106.8	15.69
1979							
Jan.	113.1	107.3	−119	+ 1	− 60	107.7	16.9
Feb.	Not available due to industrial dispute						16.6
March							17.4

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1977							
4th qtr.	23.2	12.6	8.7	+698	1,639	1,278	7
1978							
1st qtr.	24.3	23.8	17.5	+1,811	1,049	1,373	6½
2nd qtr.	8.5	15.7	24.5	+2,857	694	1,506	10
3rd qtr.	16.8	5.3	8.6	+1,114	746	1,541	10
4th qtr.	9.7	9.7	8.8	+1,487	878	1,576	12½
Nov.	12.1	10.7	9.9	+120	261	561	12½
Dec.	9.7	9.7	8.8	+826	254	507	12½
1979							
Jan.	13.6	16.4	21.3	+897	289	525	12½
Feb.	21.7	10.7	24.2	+1,070	231	531	14
March							13

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1977							
4th qtr.	119.9	142.2	145.8	187.4	193.3	234.2	63.1
1978							
1st qtr.	123.1	140.2	149.2	190.6	197.3	238.61	64.6
2nd qtr.	129.9	146.3	151.8	195.8	203.8	242.27	61.5
3rd qtr.	133.2	144.9	154.8	199.2	206.2	253.74	62.4
4th qtr.	136.5	147.1	157.3	202.6	208.0	257.69	62.7
Nov.	136.1	147.3	157.1	202.5	207.9	263.63	62.5
Dec.	138.1	148.2	158.3	204.2	210.5	257.69	63.2
1979							
Jan.	135.7	150.4	159.8	207.2	227.5	266.53	63.5
Feb.		151.1	161.5	208.9	218.7	267.38	63.7
March						268.83	66.1

* Not seasonally adjusted.

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UK NEWS — PARLIAMENT and POLITICS

Shore attacked over higher domestic rates

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

MR. PETER SHORE, the Environment Secretary, came under fierce attack from the Conservatives in the Commons yesterday when he announced that average domestic rate increases in England and Wales in the coming year would work out at about 18.5 per cent.

This compares with the estimate of 19.2 per cent given by the Rating and Valuation Association on Monday and last month's forecast of 17.5 per cent from the Chartered Institute of Public Finance and Accountancy.

Mr. Shore conceded that his estimate—based on returns from 94 per cent of local authorities—was well above the single figure which he had forecast at the beginning of the current wage round.

With the House in an electioneering mood on the last day of the present Parliament, the Tories saw this as evidence of profligate spending by Labour councils.

But the Secretary of State argued that some heavy increases had occurred in Labour boroughs merely because they were in the areas of greatest need.

He also gave the latest estimate for average increases in local authority general rates in the coming year.

The general rate includes industrial and commercial premises as well as private dwellings.

In non-metropolitan districts in England, the increase would be 13.66 per cent, in district councils in Wales 16.75 per cent, while for all rating authorities in England and Wales the increase is 13.24 per cent.

Rates per head of population in the coming year will be £38.38p in Wales, £55.28 in English non-metropolitan districts outside London and £9.10 in the metropolitan dis triets f England.

To arrive at this estimate, every person living in a local authority is taken into account, not just those who are ratepayers.

Mr. Michael Heseltine, the Conservative shadow environment secretary, argued that the Government had discriminated in favour of the inner cities.

He wanted to know why Labour-controlled councils had put up their rates most steeply.

According to Mr. Heseltine, Hackney would have a 49 per cent increase, Islington and Lambeth 39 per cent and Southwark 27 per cent.

"Isn't it true that these Labour-controlled authorities have very little interest in the level of domestic rates?" he asked.

But Mr. Peter Hardy (Lab. Rother Valley) thought, the increases stemmed from the previous Conservative Government's reorganisation of local authorities in 1973. This had been "one of the major disasters of the 20th century." he said.

A Conservative backbencher, Mr. Tim Sainsbury (Hove) reminded Mr. Shore of his forecast that increases would be kept within single figures, a prediction which had turned out to be another example of "socialist statistics."

He called on the Government to stop encouraging the "extravagance of socialist local authorities from which so many ratepayers are now suffering."

Mr. Shore agreed that the 18.5 per cent was clearly "well in excess" of the single figures he had forecast.

But his original estimate had been based on the continued effect of the Government's 5 per cent counter-inflation policy which, he claimed, the Opposition had helped to destroy.

The assesment had also been based on the expectation that councils would run down the very high level of their financial reserves. In fact, he said, this had not happened.

The Secretary of State called on the Opposition to spell out any plans it might have for changing the rating system—other than a compulsory increase in council rents.

Mr. Heseltine, however, did not respond to this challenge.

The two sides then clashed over the sale of council houses and the Community Land Act.

Mr. Nick Budgen (C Wolverhampton SW) said that in the first year's working of the Act, the cost had been £32m and 151 different circulars had been sent out. As a result, only 180 acres of development land had been disposed of.

The Conservative housing spokesman, Mr. Hugh Rossi, described the Act as "one of the most ghastly economic failures that any Government could possibly perpetrate."

He suggested that even Mr. Shore would breathe a sigh of relief when the next Conservative Government abolished it.

Banking Bill gets Royal Assent

BY IVOR OWEN

THE BANKING Bill, establishing the first comprehensive banking law in the UK, was among the measures which received the Royal Assent last night.

Amendments made in the Lords earlier in the week under the compromise reached between the Government and Opposition to ensure the passage of the Bill before dissolution were speedily approved by the Commons.

But, Mr. Roger Moate (C., Faversham) suggested that the last word may still not have been heard in the controversy over the decision to permit foreign banks outside the EEC with branches in the UK to continue to use the word bank in their title.

"Now we have many British financial institutions who are, in fact, in a worse position than many overseas institutions of comparable financial standing and reputation," he said.

Mr. Denzil Davies, Treasury Minister of State, assured Mr. Peter Emery (C., Honiton) that although the National Girobank had been excluded from the Bill it could be brought within its ambit by a Statutory Instrument introduced by a minister in any future government.

Michael Lafferty, Banking correspondent, writes: The most outstanding feature of the new Act will be the segregation of all institutions into two categories—recognised banks, and licensed deposit-taking institutions.

The clearing banks, the accepting houses and the majority of the foreign banks operating in London are accepted to make the top tier.

A good rough guide in the case of the foreign banks is that those already holding authorised status under the Exchange Control Act will be recognised.

By its very nature, however, the two-tier segregation exercise, which will be carried out by the Bank of England, is bound to be controversial.

Leading clearing bank-owned finance houses such as Mercantile Credit, Lombard North Central and Forward Trust will be campaigning for "recognised" status—though finance houses in general are expected to fall into the second tier.

There is also a good chance that some fringe institutions will not even qualify for the second tier—while others will merit transitional licences pending development to full recognised status within two years.

The licensing procednre will get under way when the next government lays an order setting out the "appointed day."

This is the date from which the six month application period for segregation into the various categories will begin.

Callaghan to launch campaign on Monday

MR. JAMES CALLAGHAN will launch Labour's general election campaign — after the publication this weekend of the party manifesto — at a Press conference in London on Monday.

Mr. David Steel, the Liberal leader, is to join battle at the same time.

Mrs. Margaret Thatcher will open the Conservative campaign with the publication of her party manifesto on Wednesday.

As party organisers put the final touches to their plans yesterday, it was announced that police chiefs are to hold an emergency meeting today to discuss security arrangements during the election contest.

The Association of Chief Police Officers is to draw up advice for the parties and candidates and will decide on measures for the protection of polling stations on May 3.

Mr. Callaghan will begin a nationwide tour on Monday at a party rally in Glasgow.

The Prime Minister, who will be travelling by executive jet at a cost of around £17,500, will go on to Manchester for a Press conference on Tuesday and will then tour marginal constituencies in High Peak, Stretford and Moss Side before speaking at an evening meeting in Stockport.

On Wednesday, Mr. Callaghan will take the Press conference in London, visit Ilford and speak at a party meeting in Upminster.

On Thursday he will visit Oxford and go on later to address a party meeting in Cinderford, Gloucestershire.

Good Friday will be spent in his Cardiff constituency but Mr. Callaghan will return to London for a Press conference on Saturday before leaving again for a visit to Portsmouth and an evening rally in Southampton.

The Prime Minister intends to spend Easter Sunday at Chequers where he will attend a morning church service.

Details of Mrs. Thatcehr's tour—by a 40-seat turbo-prop Hawker-Siddeley 748—will be announced next week. The Tory leader will be accompanied on her aircraft by journalists who will pay up to £650 for a seat, almost covering the £24,000 charter fee.

Mr. Steel will be touring the country more modestly by chartered coach. Details of his itinerary will also be announced next week.

Voters will get the chance to question al lthre party leaders on BBC television and radio programmes during the campaign.

The Prime Minister, Mrs. Thatcher and Mr. Steel will be put "on the spot" by viewers of Nationwide on BBC 1. Mr. Steel will appear on April 11, Mrs. Thatcher on April 20 and Mr. Callaghan on April 27. Each will face a 40-minute live question and answer session.

Thre three party leaders will also be answering questions from listeners to the Jimmy Yong show on Radio 2.

It will be the Prime Minister's first appearance on the programe.

Mr. Steel yesterday said he regretted Mrs. Thatcher's decision not to appear in a face-to-face television confrontation with Mr. Callaghan.

The Liberal leader said: "When the proposition was first put to me by both BBC and ITV I agreed to it. I was even prepared to withdraw from a discussion to allow a direct debate between Mr. Callaghan and Mrs. Thatcher so long as there was some compensatinng interview with me."

Mr. Steel added: "It seems odd that the other two leaders are content to indulge in a twice weekly Punch and Judy show broadcast from the Commons but are never prepared to have the party leaders sit down together publicly or privately to discuss at length our national problems."

The Labour Party and the Conservatives will each have five 10-minute party political broadcasts on television and seven radio broadcasts during the campaign. The Liberals will have three television and five radio spots.

Television and radio time will also be allocated to the Welsh and Scottish Nationalists but only in Wales and Scotland.

Time is allocated according to the number of candidates nominated by each party. Parties nominating 50 candidates before nomination close on April 23 will qualify for five minutes national radio and television time.

Tebbit's murder plot revealed

WHEN THE old school winds up for the holidays and the Head rises for his end-of-term speech, there are always a few unruly pupils hidden in the back row waiting to cause trouble.

So it was in the Commons yesterday as the Speaker, Mr. George Thomas, said farewell to those members who are retiring from the political scene.

In genial mood, he extended his good wishes, thanked them for their services to the House, and wished them a happy retirement.

A dignified reply came from Mr. George Strauss (Lab. Vauxhall), Father of the House, who has been in the Commons for 50 years.

On behalf of those who were leaving, he commended Mr. Thomas for his patience, firmness and humour in conducting the affairs of the House.

Mr. Tom Litterick, a Tribunite, complained that he heard Mr. Norman Tebbit (C. Chingford) expressing the desire to kill Mr. Arthur Latham (Lab. Paddington) "by running him down with a motor vehicle."

To make matters worse, Mr. Tebbit, he said, had expressed this wish in a loud voice and repeated it not once but three times.

Mr. Tebbit—who is reputed to be a member of the "Gang of Four" who advise Mrs. Thatcher on policy—got up to make his excuses.

He pleaded that good humoured "bandiage" often took place across the floor of the House and should not be taken seriously.

Unfortunately, this was not a very good start. Mr. Thomas immediately awarded him a black mark and corrected his spelling. The word should be "badinage."

This brought another excuse from Mr. Tebbit, who explained that he had been educated in Wales where the French tuition had not been very good.

Making a clean breast of it, he admitted that he had heard a suggestion that Mr. Latham seemed to be "run down" and he had not been able to resist the temptation to make a pun out of it.

Modified manifesto expected

BY ELINOR GOODMAN, LOBBY STAFF

THE PRIME Minister's strategy of snowballing the party's executive into dropping some of its more extreme proposals for the manifesto seem to have paid off.

Good progress had apparently been made by the sub-committee set up on Monday to discuss the proposals and signs were that the manifesto would be ready in a very modified form tomorrow when a meeting of the full Cabinet and executive is due to finalise the document.

Some leftwingers on the executive were still hoping to drag out the procedings until Saturday in the hope of extracting some further concessions from Mr. Callaghan. But the majority view seemed to be that they had been out-manoeuvred and that the best the left could hope for was some commitment to statutory planning agreements and a tough official attitude to the European Community.

Though the manifesto is still likely to contain long passages of Labour rhetoric, it looks like being a far less extreme document than that originally proposed by the party's national executive—and not the electoral albatross which some rightwing Ministers had feared.

Despite the progress made by the sub-committee, considerable uncertainty still surrounds the way the manifesto will be launched. As a result, the proposals may not get the publicity which the Conservative manifesto looks like receiving when it is unveiled by Mrs. Thatcher at her first Press conference next Wednesday.

At the moment, two different timetables are being considered by Labour, both based on the assumption that the joint meeting of the Cabinet and executive finishes some time tomorrow afternoon.

One plan is to rush the document into print immediately and release it for the Saturday papers — or at least the later editions.

The other is to hold on to it until Saturday and give the Sunday papers the first bite at it.

Pensioners 'better off under Labour'

By Our Lobby Staff

AS THE unofficial election campaign began to get into its stride yesterday, Mr. Stanley Orme, Minister for Social Security, said that old age pensioners would have been worse off under the Tories.

Labour, he said, took pride in its record on pensions. It was vital for pensioners to know that they would have been much worse off had the Tories been in power since 1973.

Mr. John Ryman, Labour MP for Blyth, told the Prime Minister that he did not deserve to be re-elected unless he pledged specific help to widows in Labour's General Election manifesto.

In a letter to Mr. Callaghan he said: "For five years your Government has bullied and neglected widows, and I am absolutely fed up with the Chancellor's persistent refusal to raise a finger to help them.

"After 15 Budgets in five years, your Chancellor, despite strong representations from me, has not given a single specific concession to widows."

He called for abolition of all tax liability on war widows' pensions, and abolition of the earnings rules on widows.

No recrimination for McCusker

BY STEWART DALBY IN DUBLIN

MR. HAROLD McCUSKER, the Official Unionist MP for Armagh who unexpectedly broke ranks with his party in last week's no confidence vote, will not face any recriminations from his Constituency party.

Mr. James Molyneaux, the parliamentary leader of the Official Unionists, said he had discussed with Mr. McCusker his reasons for defying the party and understood why Mr. McCusker had supported the Government. A constituency meeting last night was expected to give an endorsement to Mr. McCusker.

However, he now faces an election threat from the Rev. Ian Paisley's Democratic Unionist Party (DUP), which plans to field a candidate in his constituency.

The Official Unionist Party said yesterday that it doubted whether Mr. McCusker's seat was at risk. In the last general election Mr. McCusker polled 60 per cent of the vote, giving him a majority of 17,663 out of a total vote of nearly 61,000.

The Official Unionists admit some concern, however, about possible Unionist vote splitting.

Talks are being held in Londonderry this week between the Official Unionists and various Unionist splinter parties.

These include the Unionist Party of Northern Ireland, the United Ulster Unionist Coalition and the tiny British Dominion Party. The DUP will not attend and there are fears that Mr. Paisley's plans to run candidates in at least four constituencies could lead to Unionist split tickets.

One seat which could be in danger is that of Mr. Enoch Powell (South Down). In the last election, Mr. Powell had a majority of only 3,567 in a constituency with more than 90,000 eligible voters.

The UUUC plans to run Mr. Cecil Harvey in South Down and there are fears that his candidature will erode Mr. Powell's majority.

CBI line disclosed at start of campaign

By John Elliott, Industrial Editor

THE CONFEDERATION of British Industry has for the first time publicised its policies during a General Election campaign.

It issued a pamphlet to its 250,000 member and associated companies yesterday setting out its proposals for reforms on the level of taxation, profitability, wages and industrial relations, and its belief that the next Parliament should introduce as few new laws as possible.

The Confederation has increased its political activities in the past two years. It emphasised that it is "not a party political body," but it has recently extensively lobbied political parties. Yesterday's pamphlet is the latest example of such activity.

"We're not naive enough to imagine that the febrile atmosphere of a General Election campaign is the occasion to influence parties' policies," Mr. John Grenborough, CBI president, said. "But this is the time to remember once again that if business does not thrive, neither can the country."

The pamphlet contains questions on the five main policy points for industrialists and managers to put to their local parliamentary candidates.

Building industry plan derided

BY ANDREW TAYLOR

SIR RICHARD MARSH, former Labour Minister for Transport, yesterday criticised current Labour Party proposals to nationalise sections of the construction industry.

Sir Richard told the National Council of Building Material Producers' annual luncheon: "If you were contemplating an industry to nationalise, I cannot think of one economic or managerial reason which would cause you to consider, even momentarily, the public ownership of the building industry.

"The idea that some form of nationalisation and state control of the British building industry is a serious priority in our present economic predicament would be laughable if it were not extremely worrying."

Sir Richard was concerned that plans to nationalise at least parts of the building industry was now official Labour Party policy although it has not been adopted by the Government. It now remains to be seen whether this policy will be included in the Party's manifesto for the forthcoming election.

Mr. Basil Gwyn, chairman of the Building Material Producers, said: "Our industry badly needs an extended period of stability backed by a steady—not wild—increase in demand."

Sir Richard said that he would be campaigning for the Conservatives in the current election campaign. He had voted Conservative in the last election and was perturbed at the influence the Far Left had achieved in the Labour Party.

He said that the Labour Party "contains within it today many senior people who even 10 years ago would not have been allowed to join."

Sir Richard Marsh

Zimbabwe aid

BRITAIN is to provide grants and equipment totalling £89,000 to help train middle and higher administrative staff when Rhodesia becomes an independent Zimbabwe, Mrs. Judith Hart, Overseas Development Minister, said yesterday.

Oil inquiry

THE GOVERNMENT has asked the Royal Commission on Environmental Pollution to study marine oil pollution, the Commons was told in a written answer. Measures for control would be considered.

Defence move

ALTOGETHER 5,000 Ministry of Defence posts are to be dispersed to Glasgow, Mr. Fred Mulley, Defence Secretary said. Slightly more than 1,100 will be transferred from London.

Centre support

ESTABLISHMENT OF a World Commodities Centre for international commodity organisations in London, has the Government's support in principle, Mr. Evan Luard, Foreign Office Under-Secretary.

Canal pledge

BRITAIN'S CANALS should be back in working order in time for summer after an industrial dispute this winter, Mr. Peter Shore, Environment Secretary, said in the final Question Time of this Parliament.

Europe choice

MRS. THATCHER has appointed Sir Frederic Bennett to lead the new Conservative delegation to the Council of Europe.

Cash limits 'should not be carried over'

BY DAVID FREUD

CASH limits should not be carried over from year to year in cases where Government departments underspend, says the Commons' Committee of Public Accounts.

In a report published yesterday, the committee strongly supported the Treasury in its determination not to allow carry-overs.

While the system of annual tranches was to some extent artificial and gave an incentive to year-end "spending sprees," it was more important to maintain effective economic control.

The committee said: "We strongly share the Treasury's view that the existing arrangements have achieved a substantial advance in the control of public expenditure by introducing certainty into expenditure programmes in current cash terms on a year-by-year basis and putting pressure on management to improve their estimating and control."

It went on: "While any system of fixed budgetary allocations gives an incentive to year-end spending sprees, we appreciate the difficulties of adding to subsequent years' cash allocations in an attempt to avoid them."

Any arrangements which might be made for carry-over should, in the committee's view, be stringently controlled by the Treasury to ensure that the objectives achieved by the introduction of cash limits were in no way jeopardised.

National plan to save oil

By Kevin Done, Energy Correspondent

NATIONAL oil-saving measures to help to offset the shortage of crude oil in the world market were announced yesterday by Mr. Anthony Wedgwood Benn, Energy Secretary.

The amount of coal burned in power stations would be increased substantially, Mr. Benn said. The Central Electricity Generating Board had undertaken to save up to 2m tonnes of oil in the next six months by that means and might find scope for further saving.

The Government would also initiate a determined drive to reduce the amount of oil used by Government departments and agencies, nationalised industries, local authorities, the health service, police and prison services and other parts of the public sector.

He also called for serious voluntary conservation efforts from private industry

The loss of oil supplies through the cut in production from Iran, forecast to result in a shortfall this year of about 2m barrels a day,

Tories to revive direct-grant schools

A SEPARATE Act of Parliament would be used by a new Conservative Government to reintroduce an "updated version" of the semi-independent direct-grant schools—a move which has been a Tory pledge since 1977.

Although the new Act would delay the restitution of the semi-independent sector until at least autumn 1981, it would prevent a later Government from being able once again to wind up the sector merely by laying a statutory order before Parliament, as Labour

Of about 170 semi-independents affected by the Labour order, nearly 120 chose to become fully independent rather than be merged into a fully comprehensive system

Schools joining the Conservatives' revised scheme would guarantee, like the old direct grants, to reserve at least a quarter of their places for pupils from State primary schools.

The Government grant provided in return, however, would be used to subsidise on a means-tested basis the fees of pupils from less wealthy families.

APPOINTMENTS

New chief for CompAir Industrial

Mr. A. G. Schroeder has been appointed managing director of COMPAIR INDUSTRIAL. He joins the company from Herbert Morris, where he has been managing director since 1976. Mr. O. E. Harris, finance director of CompAir Industrial, has additionally been made deputy managing director.

★

The following have been appointed to the Board of TURRIFF LIMITED: Mr. W. G. Turriff, chairman; Mr. M. A. Greenberg, managing director; Mr. W. J. Blyth, managing director of Turriff International; Mr. I. F. Goodhand, administrative director; Mr. R. F. W. Nabbs, managing director of Turriff Construction; and Mr. P. D. Taylor, finance director and company secretary. Turriff Limited will be the operating management company of the Turriff Group.

★

Mr. J. G. Waters, a director of Letraset International, has been appointed director of corporate development of STANLEY GIBBONS INTERNATIONAL on completion of the acquisition by Letraset.

★

Joining the Board of PERSONNEL SELECTION, Solihull, are Mr. Iain Reid, and Mr. Vincent Lyddieth.

★

Mr. Eric de Bellaigue will become a partner in GRENFELL AND COLEGRAVE, stockbrokers, on April 21. Mr. L. S. Clark retires from the partnership on April 20 but remains associated with the firm."

★

Mr. Charles A. Mehos has been elected executive vice president and chief financial officer of AMERICAN BRANDS, INC. He joined the company in 1950.

★

Mr. Philip Harris, general manager of the Gravesend and Dartford Reporter (a division of Westminster Press) on May 14 becomes general manager of KING AND HUTCHINGS, Uxbridge, a newly created position.

★

Mr. C. H. Peter Trollope, formerly assistant managing director of Trollope and Colls, has been appointed development executive of the HIGH-POINT SERVICES GROUP—a London and Birmingham based group specialising in professional consultancy services for the construction industry.

★

Turriff management reorganisation

Mr. Richard E. Walker, has retired as chairman of WALKER CROSSWELLER AND CO. Succeeding him is Mr. Michael Collins, chairman of Reed Building Products and a director of Reed International. Mr. Walker will become president of Walker Crosweller, which was formed by his father.

★

Mr. L. E. Thompson, chairman of Westinghouse Brake and Signal Company, which has become a subsidiary of Hawker Siddeley, has been appointed a director of HAWKER SIDDELEY GROUP.

★

Mr. John B. Field has been appointed chairman and managing director of BRADBURY, WILKINSON AND CO., bank note printers, following the relinquishment of the chairmanship by Mr. R. G. Shaw, who will remain a member of the Board.

★

Mr. Alastair R. F. Sinclair, managing director of Universal Container (UK), has been appointed president of the NATIONAL COOPERAGE FEDERATION.

★

Mr. C. J. Ringrose has been appointed a director of W. VINTEN. He has been chief accountant and company secretary within the Vinten Group for the past five years.

★

Mr. David L. Rees, a director of Employers Protection Advisory Services, has been appointed a director of EMPLOYERS PROTECTION INSURANCES SERVICES, of which he is head consultant.

★

Mr. David Lewis has been appointed managing director of SIPHER DESIGNS (ELECTRONICS), High Wycombe-based data communications and microprocessor specialists. As manager of data communications for the Stock Exchange's £15m Talisman system, he installed three nationwide real-time data networks.

★

Sir Nicholas Henderson, formerly Ambassador to France, and to Federal Germany, becomes a director of THE FOREIGN AND COLONIAL INVESTMENT TRUSA COMPANY from May 1.

★

Mr. Robert Robinson, who left Barratt Developments about seven months ago to join William Leech (Builders), has been appointed managing director of LEECH HOMES (NORTH WEST), the Stockport-based division of the Leech organisation.

★

After 28 years with MORGAN GRENFELL, Sir Dallas Bernard has decided to retire early from the group at the age of 52 and to follow other business activities.

★

The CENTRAL ELECTRICITY GENERATING BOARD has appointed Mr. J. R. Craig as director-general, north western region. Mr. Craig, who was previously director of production, north eastern region, succeeds Mr. W. F. Cusworth.

★

Mr. J. R. Bell has been made managing director of AUTOGEM (HOLDINGS), a Leeds manufacturer and distributor of automotive parts and accessories. Mr. Bell joined the company from UAC International, which acquired Autogem in September 1978. He was appointed on the resignation of Mr. G. Bennett.

★

Brig. Kenneth Hargreaves has retired from the Board of YORKSHIRE BANK. Mr. C. Russell Smith, chief executive and deputy chairman of Allied Textile Companies, Huddersfield, has been appointed to the Board. Mr. Smith is a director of Lloyds Bank for the Yorkshire and Humberside region. He is also the chairman of the British National Committee of the International Wool Textile Organisation.

★

Mr. Oliver Tynan has been appointed the new director of the WORK RESEARCH UNIT by the Department of Employment following an open competition. Mr. Tynan is at present manager, plans and projects-personnel liaison at BL Cars who have consented to second him to the Unit for two to three years.

★

The JOSEPH ROWNTREE MEMORIAL TRUST has appointed Mr. Robin Guthrie to succeed Mr. Lewis E. Waddilove as director of the trust. Mr. Guthrie is at present assistant director of social work service at the Department of Health and Social Security.

★

Mr. Christopher Wegerif has been made group commercial director of LOUIS NEWMARK.

★

Mr. M. J. Baguley, previously with the Economic Forestry Group, has joined THE THOMSON ORGANISATION as general manager of the forestry subsidiaries. The Thomson Organisation is a subsidiary of International Thomson Organisation, Toronto.

★

Mr. Henry Ronson, founder of the HERON CORPORATION, has relinquished the chairmanship and is appointed life president. Mr. Gerald Ronson, currently chief executive, has also been made chairman. Mr. P. M. Keane and Mr. W. Wickramasuriya have become assistant directors.

★

Mr. T. R. Kyd has been appointed a director of C. E. HEATH AND CO. (MARINE).

★

Mr. E. Ted Springstead has been appointed to the new position of staff vice president, international marketing operations, SPERRY RAND CORPORATION. He will continue to be based at the Sperry Univac Centre in London.

★

Mr. Ernest E. Potter and Mr. Dudley W. Weedon have been appointed by CABLE AND WIRELESS as executive directors, respectively, for finance and technology.

★

Dr. Colin Gaskell has been appointed director of MARCONI INSTRUMENTS (GEC- Marconi Electronics). He succeeds Mr. Richard Foxwell who retires from that position to become chairman of the company. Mr. Rowland Charlton, previously general manager, has been made assistant managing director of Marconi Instruments.

★

Mr. A. J. Duggin has been appointed managing director and actuary, and is chief executive of the CROWN LIFE GROUP (UK).

ADVERTISING

The Harp logo from the Guinness commercial that won the gold Kodak Craft Award for TV work this week. The agency, J. Walter Thompson, also won more than £1m of Brooke Bond Oxo business when the Dividend D tea account changed hands.

Brooke Bond: a fresh stir for the agencies

BY MICHAEL THOMPSON-NOEL

THE TWISTS and turns and sometimes dramatic insecurity of the advertising business were brutally underlined this week by Brooke Bond Oxo. On the one hand, Brooke Bond's famous PG Chimps commercials gained further honours at the London Television Advertising Awards on Monday. But celebrations at the Davidson Pearce Berry and Spottiswoode agency would not have been fitting for in an almost simultaneous move, Brooke Bond hauled its Dividend "D" brand out of Davidson Pearce's Brompton Road office and deposited it in Berkeley Square, at J. Walter Thompson.

This is the second blow Brooke Bond has dealt Davidson Pearce inside a month. Early in March it took its £1m Brazilian Blend instant coffee account away and gave it to Masius. Davidson Pearce can only be relieved that it has held on to the Chimps. Last year the PG Tips account billed £1.64m.

Acquisition of the Dividend "D" business marks JWT's biggest account gain since its loss of Kodak's £3m halfway through last year. JWT is London's biggest-billing agency. Main-agency turnover this year should exceed £70m. The "D" account billed £909,000 via DPBS last year, though the spend is now likely to be boosted to around £1.5m. As JWT already handles Brooke Bond's Oxo and Fray Bentos accounts, that would take total Brooke Bond spending via JWT to close to £5m, approximately the same as Guinness spends via the agency. JWT deputy chairman Alec Morrison said yesterday that the agency was particularly pleased to win Dividend "D." "It's the sort of big brand account for which we are well known. It is also a considerable compliment to win such an important slice of extra business from an existing client."

For its part, Davidson Pearce must have felt it was drinking champagne from a poisoned chalice at the TV awards night on Monday, where its Chimps commercials won a total of five awards.

There were nine gold award winners. In the cinema category, the current Collett Dickenson Pearce commercial for Benson and Hedges — which looks as though it was only slightly less expensive to produce than Gone With the Wind — was an easy winner (production company: Hudson Film). JWT won the Kodak Craft Award gold with its Harp commercial for Guinness (Grand Slamm Animation), and the ITV Award went to Collett's for an EMI Records Frank Sinatra commercial (Dragon Productions).

Other golds: Farinaceous foods: Hovis (CDP/RSA Productions), Soft drinks: Colman Foods (CDP/RSA Productions), Alcoholic drinks: Holsten (FGA Kenyon and Eckhardt/Harpoon Pictures), Bereverages: Brook Bond Oxo (DPBS/N. S. and H. Creative Partnership International), Cigars and tobacco: J. J. Masters (Colman and Partners/Film Fair). Public service advertising: COI, two golds (Saatchi and Saatchi Garland-Compton/Bussmann Llewellyn and Sid Robertson Productions).

The three top award-gatherers of the London circuit, CDP, Saatchi, and Boase Massimi Pollitt Univas, won 18, seven and five awards respectively.

The chairman of the judges was Norman Berry, vice-chairman of Davidson Pearce, who in mid-summer leaves for New York to join the Board of Ogilvy and Mather as executive vice-president and executive creative director. Apparently, the jury found the overall standard of ideas in this year's London TV commercials depressingly low, the standard of production commendably high (550 were submitted).

This may be thought to be further supporting evidence for the theory that TV commercials are coming to be viewed by some agency creative departments as vehicles for high-budget, glossily produced entertainment extravaganzas; empty vessels whose exorbitant production costs conceal, or attempt to, the absence of anything as profound as an intelligent sales message. No matter.

On the other hand, Norman Berry has this week spelt out why he finds himself surprised that so many large clients describe so often how little value they attach to awards, and why if he were the marketing director of a major food company or any other company marketing products in such fiercely competitive markets he would require of himself that he gave as much time and thought to being seen as he did to being sound —which was not an argument against being sound but one for harder work.

Writing in Marketing Week, he thought there was more to the awards business than a "boozy night out with a lot of long-haired layabouts wearing plimsoles."

As for the charge that is sometimes levelled at award schemes, that they encourage advertising that is noticeable but not necessarily relevant:

"I suggest that this is one of the most stupid criticisms one can make of awards. For it assumes that the responsibility for relevance or irrelevance in developing advertising is so casual and unimportant that awards could have such an effect. If an advertiser allows any creative work to be based on an idea which is not relevant to the benefit of his product offers he deserves anything he gets. Any agency which consistently produces such work should be fired. And the quicker the better. To suggest that awards encourage this is to suggest that clients and agencies are in the grip of an award-monster over whom they have no control. Plainly this is rubbish."

This doesn't alter the fact that a number of advertising's shrewdest practitioners, of whom Mr. Berry is one, have in recent times pointed to the danger that in some agencies and in some market departments, the winning of awards may become a too-important aim, whether consciously or not.

Certainly the winning of awards seems at present to be treated with rather more sang froid than it was a year ago—possibly as a result of the strictures on this subject delivered last autumn by Jeremy Bullmore, chairman of JWT, who said that in his view there was a danger that advertising would come to be seen merely as a cosmetic, a piece of jewellery, and that increasingly it was being evaluated on a non-functional basis. "I am not saying that the best creative agencies have forgotten what they are in business for, but that it looks as though some people who are spending the money have forgotten what they are spending it for."

It has been a full week in the glitter palace.

Plugging a gap

DESPITE THEIR sophistication, the confectionery manufacturers have apparently coped for some years without knowing with confidence precisely who was buying and eating their brands — a curious anomaly in view of the considerable marketing effort involved in launching and sustaining products in what has become a £1.5bn market.

The gap has now been filled by a continuous research service established in August, 197, by Gordon Simmons Research that is now supported by Mars Confectionery, Rowntree MacIntosh, Trebor and Nestlé.

The researchers interview confectionery buyers at the point of sale and so avoid reliance on memory, allegedly the bane of all attempts to establish accurate consumer panels or surveys in this market.

According to the report, women were responsible for nearly two-thirds (59 per cent) of total confectionery expenditure last year, men more than a quarter (27 per cent).

MARKETING SCENE

For the greater glory of the product

BY MICHAEL THOMPSON-NOEL

TOP-MARKETING men face astonishing demands of office. At the Sheraton Skyline hotel near Heathrow Airport the other evening a swathe of top marketeers from United Biscuits—now known, for reasons that are probably uninteresting, as UB (Biscuits)—went as far as to stage a grimly funny pantomime with sets and costumes and an *unfathomable* soccer plot, all to mark the national launch of McVitie's United, a countline that according to UB has already become the most successful new product in the hugely competitive biscuit market for more than 30 years.

The audience was comprised of 140 grocery trade buyers: prosperous-looking gentlemen in expensive suits and ties who looked on glazed and *half* bewildered as UB's marketing director Jim Laird and other stalwarts from his department sung the panto praise of a product whose *official description*, according to the UB fact sheet, reckons it to be "a superior, moulded biscuit countline with horizontal break facility and unique recipe: candy crisp particles embedded in a chocolate-flavoured coating, surrounding a crunchy shortcake biscuit centre."

Despite *such goo*, the biscuit is a winner, and is said to be the fastest-selling new biscuit since the debut of Penguin in 1948. Countline biscuits, the largest and fastest-growing sector of the grocery biscuit market, saw a volume growth of 18 per cent last year and a value growth, to £75m, of 27 per cent. This year, UB is raising its advertising expenditure on countline brands to more than £1.5m, of which McVitie's United will receive £750,000 worth of TV support.

Although on sale only in the North of England and *Scotland* last year, and then only for the last nine months, the new countline muzzled into the top 20 biscuit best sellers with sales of more than £5m. According to *UB*, it should reach the top ten lists *by the end of this year*, with projected sales of £9m at RSP.

On the evidence of last week's trade launch, UB is clearly putting a considerable sales effort behind McVitie's United, and the sales force can be expected to journey forth in highest hope. In the process, it may not have much time to study a new report produced by PA International for the Institute of Marketing, *Sales Force Practice Today*, though in the opinion of the Institute it is an authorative work which should prove of use to all those concerned with the organisation and profitability of the sales effort.

Some of the main points are as follows. The average mean sales turnover *of* a salesman in Britain is at present £280,000 a year. The size of the sales force does not seem to be a crucial factor in turnover size, says the report. The most common increase in sales expected by all sales managers if their most successful salesman replaces *an average salesman* and no *other* changes are made is 16 to 20 per cent. Using the median turnover figure (£156,000 per salesman per annum), the effect of top selling skill would appear to be the generation of approximately £30,000 in additional sales per year.

In consumer selling, sales managers view product knowledge and exploring and understanding the customer's needs as two of the main reasons for the better performance of most successful salesmen.

Thirteen per cent of all companies give no formal training in sales techniques. The average cost of the sales force as a proportion of revenue is 7.1 per cent, says the report. The average number of sales calls per day is 6.3, and the more time spent with the customer, the higher the sales turnover *across all product categories*.

Seventeen per cent of companies do not compare results with the targets set for their salesmen. Half the sales *managers say their success* rate in recruiting satisfactory salesmen is 70 per cent or less. Demanding previous selling experience does not produce a higher recruitment success rate. Eighteen per cent of companies use personality assessment tests when recruiting.

The average earnings of middle-range salesmen are £5,233 a year, says the report; among the highest gross earners, the average is £6,906; *among the lowest paid*, £4,144. None of these figures includes expenses. Earnings are highest in the capital equipment and services sectors, lowest in repeat consumer. About a third of all companies operate a salary-only remuneration scheme.

Approximately a third of the incentive sales schemes in operation are not related to targets. Finally, most sales managers expect sales volume to increase by more than 10 per cent over the next 12 months, while they expect the size of their sales force to stay the same. The report is available from the Institute of Marketing, price £25, £20 to members. Abroad: add £5.

Why Virginia Wade is sporting a frying pan

LIFE IN the sports equipment market has never been easy, but in a bid to hit back at the rising tide of imports and retain its market leadership, the Dunlop Sports Company is launching a £400,000 advertising campaign next week which is clearly a close cousin to the famed Disappearing World of Dunlop TV corporate commercial — that worked so well a year ago.

In one of the ads, pictured above, Virginia Wade is seen wielding a frying pan as the only acceptable substitute for *her Dunlop racket. In another*, Qamar Zaman, world squash champion, declares that if he cannot play with his Maxply Fort he might as well use a fly *swatter*. And in a third, golfer Neil Coles says: "Take away my Dunlop 65 and Maxfli and I might as well play with hard-boiled eggs." All highly creative.

The company says it is the biggest campaign it has ever run. It is making heavy use of the popular Press, as well as virtually all the sports magazines. In addition, it is launching a determined trade effort, *including full sales aids* and window material.

More bounce at Pedigree

BY PETER KRAUSHAR

ONE OF the features of food sales of the past few years is that whereas the housewife has been stinting on food for the family, she has not cut back as far as the household pets are concerned. While general food sales have suffered from static or declining markets and downtrading, the petfood manufacturers have managed not only to increase their markets in real terms but also to achieve some trading up.

Thus total petfood volume tonnage increased substantially in both 1976 and 1977, and the two premium brands, Pedigree *Chum in dog food and Whiskas* in cat food, both of which belong to Pedigree Petfoods, have continued to improve their market share. It is estimated that *in 1978* the gross sales value of Pedigree Chum was £37½m, that of Whiskas £52m. It is hardly surprising that Pedigree Petfoods is one of Metal Box's biggest customers in this country.

It is no accident that this market has been buoyant. It is *extremely competitive. There* are large and efficient companies operating within it such as Pedigree and Spillers. And there is much R and D activity, *as reflected in the launch of Hap* by Pedigree and of Springer by Spillers. Pedigree Petfoods had the highest rating by grocery buyers in the Kraushar Andrews and Eassie review, New Products in Grocers, 1978, which is particularly interesting as this was before Hap. It had not launched any new products nationally for some time, and yet development in its broadest sense is an integral part of the company, which is owned by Mars.

Although Whiskas and Pedigree Chum are by no means new products, in a constantly changing raw materials situation Pedigree looks closely at each product each month and there is continuing reformulation. For example, there are a number of different product formulations of Chum at any one time, depending on raw material availability. Research is carried out continuously and a linear programming model has been devised to evaluate the various combinations.

Yet quality is kept to a very high level whatever the formu*lations, and both* Pedigree Chum and Whiskas have been helped enormously by very consistent marketing and advertising support—consistent in its expenditure *and its content. For many* years Chum has been advertised as the food used by breeders for their dogs, Whiskas as the cat food preferred by most cats. Development clearly also has a role to play in seeking cost reductions. For example, R and D made it possible to reduce the cost of Pal by 10 per cent, so that Pedigree was able to hold its price, benefiting both its customers and its own business.

A product which required more drastic redevelopment was Kitekat, *which had lost ground* to the more palatable meaty cat foods such as Whiskas. Kitekat's distinctive characteristic, the fish and cereal loaf, was no longer acceptable, despite a lower price than Whiskas. It was decided to relaunch Kitekat both in fish and meat varieties. The relaunch has ben successful and Kitekat's 1978 sales at gross sales value are estimated at £18m—not bad for what had been a problem product.

The UK petfood market is highly unusual in that it is dominated by cans. Pedigree Petfoods has set up a separate production and marketing unit in Peterborough to develop dry and semi-moist products and Hap is the result of over three years' development in the semi-moist area. Research had showed that fresh meat is regarded as the ideal product for dogs by the owner (well over £100m is spent on fresh *meat for dogs* annually), but it is difficult to obtain and is very expensive.

Earlier semi-moist dog foods —Quaker's Minced Morsels and Pedigree's Bounce Minced Dinner—were well accepted by a small number of dog owners, but the majority still rejected them on behalf of their pets for being unappetising and artificial compared with fresh meat and even with canned petfoods which provide a kind of standard. Semi-moist products can provide high nutrition, cleanliness and convenience, but it was necessary to add the palatability of fresh or canned meat and this is what Pedigree's Peterborough R & D centre aimed to do.

Higher meat levels and improved quality led to a moister, more meat-like, product, and Hap passed the high dog acceptance level that was set for it.

Since Hap's national launch all semi-moist sales have increased by 33 per cent. Pedigree's volume has increased 80 per cent and much of Hap's *business has come from fresh or* canned users.

Pedigree Petfoods has also been test marketing for some time Frolic, a complete dry food for dogs, which is now in 20 per cent of the UK. The product can be a complete main meal, a nourishing snack or a reward and can be eaten at any time of the day. Developed in Germany, where it has been very successful as a complete food for five years, it had to be reformulated to meet UK acceptance levels and initial results are encouraging.

Timing of a national launch will be crucial, however, as the UK market has been slow in *accepting dry pet foods*. Indeed, Pedigree has not found it easy to develop important new products outside cans. Cupboard Love, a semi-moist cat food, *Loyal and Chappie Crunchy* Food, both complete dry dog foods, all proved unsuccessful, but there will definitely come a time when the market is ready for such products. A decision about whether to launch Frolic nationally, and when, will be a real test of Pedigree Petfoods' marketing judgment.

The reasons for Pedigree's success come through as in other cases described recently: single mindedness, tremendous attention to detail, efficiency in implementation and consistency of approach — these are the reasons for success rather than the production of magic ideas. Yet *there is undoubtedly scope for* many companies in the UK to learn from Pedigree's virtues.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMMUNICATIONS

Five ways to handle information

FIVE MEMBERS of the consultancy division of the Computer Services Association have been commissioned by the Department of Industry to carry out a study of possibilities for manufacturing companies in the office text processing area.

Apposite at a time when International Computers is understood to be preparing to launch into text processing, the study will look at the related areas of word processing, information storage and retrieval systems such as that offered by the Post Office under the name Prestel, direct output of computer information on microfilm, optical capture of information from whole pages and its magnetic recording, and transmission of business correspondence over computer controlled data networks—or electronic mail.

These five subject areas may seem disparate, but on reflection, readers will immediately see that most modern offices will be aware of, if not already using some or all of them in one form or another.

Office costs are a large proportion of most companies' operating costs—between 40 and 50 per cent according to studies in Britain and the U.S. Advanced methods of information handling are seen as the only means of containing costs, in view of the increasing demand for white collar workers in the cities of most of the western manufacturing nations.

At the same time, some students of the future of information handling have predicted that unless the large companies which hitherto have been making and selling the general purpose computers move into what could be called corporate information handling, they will not survive the onslaught of new generation mini and microcomputers. This underlies IBM's involvement in Satellite Business Systems and office equipment, Univac's move into satellite communications, Honeywell's interest in word processing and the ICL plans mentioned above.

The first stage of the study will cost £45,000 and is being carried out jointly by Langton Information Services; Arthur Andersen; Peat, Marwick, Mitchell; P-E Consulting and Logica VTS. Final reports will be made available to CSA members before general publication.

The overall aim is to define the areas of technology which have to be mastered before a company can move successfully into text processing. DoI's intention is to draw the attention of industry in the UK to possible productivity gains.

In the meantime, Satellite Business Systems in the U.S. has selected AM International (Addressograph-Multigraph) to develop for it an electronic mail computerised facsimile system which will operate via satellite at up to 3,600 A4 pages an hour, or over 100 times faster than most of the facsimile units in operation at the moment.

Inevitably, tight computer control of the equipment and its data output will be needed, together with laser scanning of originals and non-impact printing of incoming information.

Time-scale imposed on achieving demonstration equipment is January, 1981, when SBS starts to operate in America. The latter is seeking to show computer-to-computer data communications at very high speeds, and video teleconferencing, at the same time.

It has to be remembered that IBM is a partner with Comsat and the Aetna life insurance company in SBS, and whatever the problems of SBS at the moment with the regulatory body on communications in the U.S., it seems that the first satellite business data transmission for SBS will be on schedule.

That it can take place at speeds around 150 times greater than the highest grade telephone lines now available should not go unnoticed by the telecommunications authorities in Europe.

Barriers to the flow of data

HIGHLY significant for Britain, at a time when policies are being drafted that will affect many areas of UK information handling for a number of years, is the disclosure at a recent Infotech Politics and Computing Conference in London, that it is costing Canada some $300m a year to have data arising in its industries processed outside the country—in the U.S.

Reporting this result of an extensive questionnaire sent to Canadian data processing service users, G. Russell Pipe, Transnational Data Report, added that unless the Canadian authorities intervened, the outflow of payments would increase to $1.5bn by 1985 with the consequent loss of 23,000 jobs in one of the most important areas of modern technology.

What the figure could be at the moment for Europe is not known, nor can any useful guide be gleaned so far as the UK is concerned.

But bureaux operating in the UK outside the control of major domestic conglomerates are, bar one, under U.S. control and most of the latter have extensive data links with the U.S. It would seem logical to apply the Canadian figure pro-rata. That would give a UK bill for overseas processing now amounting to about £350m.

Discussions at the Infotech meeting showed that some governments were beginning to understand the concept of "enriched data," on the basis of why move it abroad unless it became worth more in the process.

This could lead down two routes of taxation. One could be a national tax on all international data transfers. At the same time, countries are losing tax revenue by allowing data to be processed abroad, especially where a VAT system exists. Some governments could start taxing data transfers, based on a calculation of what the added value would have been had the work been done in the country where the data arose.

● DATA PROCESSING

Aiming at first-time users

NOW THAT it is moving back under European control—since Volkswagen is about to become the majority shareholder, displacing Litton Industries of the U.S.—Adler Business Systems is altering its marketing targets to concentrate specifically on the first-time user.

For the time being, this will be in the area of companies with staffs of up to 100 and annual turnovers in the neighbourhood of £1m and to capture business in this market, the TA 1100 is being launched in Britain at a number of demonstrations in April and May. Venues so far decided on are London, Leeds, Birmingham, Manchester, Glasgow and Edinburgh.

This machine is a significant advance on ledger card equipment and it offers the undoubted advantages of "friendly" computing, that is operations in which the novice is guided by the equipment and its control programs, at a price less than £10,000.

Twin high density floppy discs and a bi-directional single-element printer with its own micro control are two of the machine's characteristics which provide a large storage capacity and fast, clean print-out.

With the TA100, which was installed and was up and working in one week at one particular site, it believes it has the answer for the smaller business which needs to modernise but does not want to move too far into an area which many managements still distrust.

The intention is to try to maintain this "load and go" image by concentrating on the supply of standard business packages rather than become involved in the creation of tailor-made software, which has been the downfall of many companies in the past.

In all the packages written so far—sales ledger accounting, invoice production and stock control, cash control and payroll—a management reporting facility is provided which enables the user to derive useful data like debtors' listing, credit limit checks, customer turnover reports, etc. etc.

Triumph-Adler, which now has some 70,000 small systems installed worldwide, has a number of new products on hand apart from the new small business machine and UK management is confident that backing for these and many other lines of equipment for the business community will be forthcoming to make the organisation a force to be reckoned with throughout the 140 territories in which it operates.

Adler Business Systems, Jordan House, 47 Brunswick Place, London N.1. 01251 2712.

Agreement on design

JOINT technological collaboration and marketing arrangements have been signed by Cadcentre, Cambridge, and AAA Technology and Specialties Co. Inc. (AAT), Houston, Texas.

Under these, the process design and graphics software of Cadcentre will be made available throughout North America and the Centre will make available throughout Europe the vessel analysis and design and the pipework analysis computer programs developed by AAAT.

The agreement represents a major commitment by both organisations to provide, on a worldwide basis, the most comprehensive set of programs to assist engineering companies active in chemical engineering design and manufacture. This is particularly important for multinational organisations because all their offices will now be able to work to common standards using the same professionally supported computer software.

Marketing Department, Computer Aided Design Centre, Madingley Road, Cambridge, CB3 OHB (0223) 63125.

Makes it easy to link up

NOW ACTING in the UK for the Israeli company Fibronics, the data products division of Cole Electronics is offering a complete ready-to-plug-in optical fibre data link for computer applications.

This is a full duplex (that is, capable of simultaneous two way transmission) asynchronous link to RS232C requirements and is aimed at users with little or no experience of fibre optics. The device accepts the 25 pin RS-232C electrical plug as input and converts to optical pulses for direct output down a pre-terminated fibre cable.

The box at each end of the cable contains receiver, transmitter, power supply and a mains lead for connection to a wall plug. Nothing else is needed.

Transmission ability is from dc to 20k bits/sec over distances up to 3,000 feet. Advantages of the system include the elimination of modems, cheap cabling, secure lines and increased safety in hazardous environments. The equipment is also immune from electromagnetic interference.

● HANDLING

Hoist uses little power

HAVING A gross lifting capacity of 500 kg at a climbing speed of 8.5 metres a minute, the Sky Climber Alpha hoist, used with its standard single-phase electric motor, draws less than 6 amps, which means it can be powered from domestic mains, according to GKN Mills Building Services, Winchester House, 53, Uxbridge Road, Ealing, London W5 (01-567 3083).

Due to the self-reeving (threading) of the wire rope, installation of the hoist is fast and simple.

The rope is held in a patented traction sheave which applies uniform pressure on it over its working circumference. This results in considerably reduced rope wear, compared with conventional traction sheaves.

Control for the hoist may be mounted on the hoist, or in a central box on the staging for operating two hoists simultaneously.

● PACKAGING

Protects fragile goods

IT IS essential that precious and fragile items, such as artefacts, small antiques, porcelain, optical goods, watches, etc, are carefully and securely protected against breakages during transport.

An effective packaging material is a polyethylene bubble film called Pillowflex, which is being manufactured in Holland by Pillo-Pak (a subsidiary of Buhrmann Tetterode) and is soon to be made under licence in the UK by St. Regis Coating and Laminating, Knight Road, Strood, Rochester, Kent (0634 77777).

Apart from its uses in the packaging field, the material is suggested for horticultural purposes, insulating greenhouses, and for swimming-pool covers. It also has a future, says the company, as an insulation material in the building industry.

It is manufactured in a simple, continuous automated process, forming strong bubbles which trap a pillow of air.

Available in small bubbles (10mm wide by 5mm high) or large bubbles (25mm wide by 10mm high), it comes in a variety of thicknesses and strengths.

The material is delivered in reel form, up to a standard maximum of 1500mm wide, and this can be slit into smaller reel sizes, cut into sheets, or heat-sealed into bags. Reels 2[illegible] wide can be supplied on demand.

● ELECTRONICS

Power on the bench

PUT ON the market by Gresham Lion, Twickenham Road, Feltham, Middlesex TW13 6HA (01-894 5511) is a range of six high accuracy dual and single output power supplies.

The units range from 0 to 30 V one amp up to 0 to 60 V, two amps. Three of them are dual output types with a high degree of isolation between the two outputs and a facility for connection in series and parallel to double the voltage or current ratings.

All outputs have less than 0.5 mV variation for ±10 per cent line voltage change, with low ripple and noise.

Four of the units have an additional independent five volt output, allowing separate powering up of logic circuits.

Output voltage adjustment on all the models is by a high accuracy ten-turn potentiometer on the front panel: settings can be made to within five millivolts. Large moving coil meters provide reading accuracy to better than 2 per cent of full scale deflection.

Largest units measure 300 x 243 x 122 mm and the heaviest weighs 7.5 kg.

● INSTRUMENTS

Measuring humidity

RATHER than offer its products through intermediaries, Helsinki company Vaisala Oy, particularly known for its environmental and atmospheric measuring equipment, has opened a U.K. sales office at 2 Lorne Road, Northampton (0604 35722).

The company's most recent development is an enhancement of its well known Humicap humidity measuring sensor—a thin film capacitor device in which water vapour is absorbed through a permeable electrode with an increase in dielectric constant and in capacitance. Choice of polymer ensures that the changes are directly linear with per cent humidity relative.

Latest version has been corrected for the drift that can occur when the somewhat damp conditions of 75 per cent RH or more have to be measured for any length of time. The technique involves using the working curve only up to 75 per cent RH, this figure being made to "look like" 100 per cent by means of mathematical conversions using electronics and temperature compensation.

The company will also be supplying indicators, transmitters and calibration equipment.

● TRANSPORT

Lucas fuel injection advance

LUCAS Electrical has displayed what it claims to be the first digital petrol injection system for cars that matches fuel requirements over the engine speed and load range more closely than conventional PI systems. It supersedes and outperforms the older analogue system on which Lucas took out a licence from its Bosch rival in Germany.

Lucas injection equipment is controlled by a micro-processor, also used to control a new type electronic ignition coming on to the market. Together they will form the nucleus of comprehensive vehicle management systems being developed for the 1980s.

Whereas the analogue PI system provided graduated, or "stepped" measures of fuel the digital version provides a more continuous match. This is achieved by taking several hundred points on the speed and load curves of an instrumented test-bed engine to provide a memory of fuel needs. The injectors are then programmed to deliver the leanest fuel needed for optimum economy over the entire speed and load range. Savings of 5 to 35 per cent in petrol are claimed, depending on engine capacity and number of cylinders.

Besides receiving information about engine speed, vacuum, temperature and in some instances barometric pressure, the microprocessor also consults an exhaust gas sensor. Fuel is delivered into the injector at 36 psi and the system is referenced, pneumatically, to the inlet manifold pressure so that a constant pressure drop across the injector is maintained.

The system has passed the U.S. 50,000 miles test and meets emission standards there. It will be fitted to a UK model soon.

Lucas Electrical, Gt. King St., Birmingham 19.

هكذا من الأصل

THE JOBS COLUMN

How universities met employment challenge

BY MICHAEL DIXON

I HOPE to be forgiven by the several readers who have telephoned during the past few months to ask where was the Jobs Column's account of how the United Kingdom universities fared in the employment market of late 1977.

The answer those readers received was that the figures from which I calculate the annual table were being held up as the result of a dispute at the Stationery Office. But the other day I decided to find out when the figures might be expected, and so rang the Central Services Unit which supports the university careers advisers.

"Bless you," they said. "We don't have these statistics done by the Stationery Office any more. We have them printed privately and the 1977 batch were published in the autumn." It turned out that I had missed the figures because they were issued in October when the Jobs Column was absent ill.

While regular followers of the universities' results may join me in feeling that the league table alongside is better late than never, some people working in universities will have a quite different reaction. Indeed, I suspect that the delay may have led one or two of them to have a couple of celebratory medium sherries in the belief that the results were not going to appear at all.

Take for example the following extract from the annual report of the careers advisory service of the University of Newcastle, in particular.

"Newcastle can quite happily stand comparison with other universities in any of these tables. We can therefore say, less happily, but without suspicion of self-justification, that the validity of such tables is highly suspect. While measurable and quantifiable, and apparently objective, they ignore too much which is of importance.

"Where they record that a graduate has found employment, they omit any consideration of whether or not the employment was appropriate to the graduate's abilities (or vice versa); whether the job gave the incumbent the sort of personal satisfactions hoped for; whether it had long-term potential; and so on. Where they record that a graduate *is unemployed*, they omit the all-important question of *why* the unemployment occurred—a lack of *skills? of personal qualities?* of motivation? of mobility?, of realistic *self-perception? of* willingness to accept what exists? or *a reluctance to abandon hypothetical ideals? . . .* and *so on.*

"Where they record 'in temporary employment' they omit any indication of motivation: whether the temporary post is a carefully charted route to a *chosen goal (for example* via the Cyrenians towards social work); or a positively adventurous foray into the unknown; *or, of course*, merely a rudderless drift on the first life raft *that came to hand.*

"Where they record a high, or low, percentage of 'unknowns,' they omit any measure of the standards of definition of 'known': strictly at first-hand direct from the graduate? from reliable second-hand sources? by hearsay? and so on."

The Jobs Column has sympathy with those scruples; and the sooner the universities can agree on a standard method of deciding whether a new bachelor-level graduate's whereabouts at the end of the year of graduation is known or unknown, the better this column will be pleased.

But at present, the adjacent comparative account is the best available. And since the universities currently cost the taxpayer a total approaching £1bn a year, the performance of the institutions' bachelor-level outputs in *the employment market* is something the taxpayer is entitled to know.

The variances among the "unknowns" *(recorded* in the table's middle columns) owe *something to the different ways* universities define them. But I *feel that the unknown percentage* will also vary from low to high with *how much or how* little a university values its careers *advisory service.*

The final columns, on which the institutions are ranked for 1977, include new graduates "*not available for employment*" as well as those believed *unemployed or in only temporary* work in the UK six months after receiving their degrees. These columns are compiled on the *assumption that the percentage* of "unknowns" falling into these categories is the same as that of the "knowns."

	University	Total new graduates 1977	(1976)	% whereabouts unknown at December 31 1977	(1976)	% not employed or in temporary UK work at December 31 1977	(1976)
1	Brunel	369	(415)	4.6	(6.7)	4.8	(11.6)
2	Aston in Birmingham	948	(789)	10.2	(11.8)	5.9	(5.2)
3	Loughborough	811	(771)	3.5	(3.4)	6.5	(8.5)
4	Bath	675	(695)	4.1	(9.4)	6.8	(8.3)
5	Surrey	546	(542)	9.2	(6.1)	7.5	(12.4)
6	Aberdeen	895	(1,077)	13.9	(11.6)	7.5	(7.4)
7	Oxford	2,543	(2,503)	10.6	(8.9)	8.0	(9.2)
8	Salford	926	(854)	11.2	(12.5)	8.9	(6.2)
9	Glasgow	2,033	(1,861)	3.7	(2.8)	9.2	(6.3)
10	Strathclyde	1,230	(1,152)	5.1	(5.0)	9.6	(7.8)
11	Dundee	546	(476)	3.5	(10.5)	9.7	(7.5)
12	Belfast	1,174	(1,106)	6.5	(6.4)	9.7	(13.1)
13	Bradford	802	(764)	3.1	(4.2)	9.8	(10.1)
14	Birmingham	1,863	(1,538)	14.3	(20.5)	10.0	(12.8)
15	Cambridge	2,635	(2,571)	22.4	(17.9)	10.0	(10.3)
16	City	468	(451)	5.1	(7.5)	10.1	(7.7)
17	Liverpool	1,586	(1,604)	8.1	(8.3)	10.2	(8.6)
18	Sheffield	1,632	(1,532)	10.2	(13.5)	10.9	(7.8)
19	Southampton	1,294	(1,107)	7.1	(11.1)	11.4	(10.3)
20	Manchester	3,039	(3,062)	3.1	(2.1)	11.5	(11.9)
21	Durham	1,078	(1,025)	4.5	(7.1)	11.7	(10.9)
22	Leeds	2,025	(1,935)	12.1	(11.6)	12.7	(11.1)
23	Exeter	935	(908)	12.1	(7.9)	12.8	(13.9)
24	Heriot Watt	539	(569)	4.5	(2.6)	13.0	(7.6)
25	Reading	1,139	(1,083)	9.0	(11.4)	13.1	(19.5)
26	Newcastle	1,501	(1,395)	9.2	(12.8)	13.1	(11.9)
27	St. Andrews	627	(626)	13.7	(10.5)	13.1	(14.8)
28	Nottingham	1,483	(1,370)	11.6	(18.7)	13.2	(16.4)
29	Bristol	1,583	(1,480)	9.5	(8.8)	13.8	(13.6)
30	Hull	1,067	(985)	4.7	(5.9)	14.1	(10.0)
31	London	8,376	(8,412)	6.9	(5.8)	14.6	(14.9)
32	Edinburgh	1,920	(1,787)	8.4	(13.2)	14.6	(11.0)
33	Wales	4,028	(3,595)	10.9	(4.6)	15.1	(16.6)
34	York	677	(680)	5.8	(6.0)	16.5	(14.4)
35	Leicester	886	(839)	10.9	(7.6)	16.7	(18.7)
36	Essex	478	(502)	10.5	(9.8)	17.8	(23.8)
37	Coleraine	347	(344)	11.0	(5.5)	17.8	(19.1)
38	Sussex	941	(862)	10.1	(16.6)	18.3	(20.2)
39	Kent	674	(676)	20.6	(15.8)	18.9	(20.0)
40	Warwick	985	(779)	16.5	(10.9)	19.1	(26.4)
41	Stirling	425	(466)	3.9	(3.2)	21.0	(16.6)
42	Keele	489	(425)	4.5	(5.6)	22.3	(17.5)
43	Lancaster	977	(749)	20.9	(27.9)	23.3	(17.0)
44	East Anglia	871	(884)	15.5	(25.7)	27.4	(20.4)
	TOTAL	60,056	(57,246)	9.4	(9.4)	12.7	(12.7)

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(c) to monitor investments and provide after-care within the growing portfolio.

The successful candidate will need to have financial qualifications and experience and a career in general management in industry at senior level. The ideal age will be between forty and fifty years.

There is six weeks annual holiday entitlement and a contributory pension scheme. Generous assistance will be given with relocation expenses.

Please write or telephone for an application form, to be returned by 20 April, 1979.

Personnel Department (Ref 469FT),
Welsh Development Agency,
Treforest Industrial Estate,
Pontypridd, Mid-Glamorgan, CF37 5UT.
Tel: Treforest (044 385) 2666, Ext. 262

New Business Manager-Factoring

South West England & South Wales, c. £7,500 + car

Our client, one of the largest and most profitable invoice factoring services in the UK, is looking for a Regional Business Manager for their Bristol based operation. He or she will be responsible for following up enquiries, the assessment of potential client companies, and the negotiation and completion of contracts. The ideal candidate will be, aged between 28-32, finance/marketing oriented, and able to work without supervision. A comprehensive training will be given. The prospects and fringe benefits are excellent.

Mrs. I.M. Brown, Ref: 19149/FT
Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, *Sutherland House, 5/6 Argyll Street, W1E 6EZ.*

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

Three major Accounting Opportunities

We are now one of the *largest private international trading groups* in the U.K., with operations at home and overseas. Our main business is in steel, chemicals, paper and machinery. To maintain our record of profitable growth, we need to strengthen our accounting team with the following appointments:

Group Financial Accountant ACA

City — c. £9,000

Responsible to Group Financial Controller. Will need to demonstrate sound consolidation *experience and professional competence in the areas of legal and financial accounts* requirements and corporate tax planning.

Management Accountant ACMA/ACCA

City — c. £8,000

Responsible to Group Chief Accountant. Solid commercial experience, *drive and initiative* required. Suitable candidates can expect to progress to a deputy position and eventually take on specific line management responsibilities. Initially the work will entail both development of computer-based accounting systems and preparation of Group Management Accounts.

Financial Executive-Steel Stockholding

East End — Five figure neg. plus car

Responsible to *Managing* Director of Steel Stockholding Division. Objectives will be to actively assist the Managing Director to develop the full potential of this subsidiary. Strengthening of present procedures and development of in-house computer systems will be an important part of the job initially.

All posts include a non-contributory pension and life insurance scheme. Participation in the Group's bonus scheme produces extra incentives for performance achievement. We can offer challenge, diversity and membership of a young and enthusiastic team. Successful men and women can look forward to excellent career opportunities.

Apply in writing with detailed curriculum vitae to the
Personnel Manager, Coutinho, Caro & Co. Limited, 87 Queen Victoria Street, London EC4V 4AL.

COUTINHO, CARO & CO. LTD.

APPOINTMENTS ADVERTISING
£16.00 per single column centimetre

Corporate Finance Executive

Merchant Banking £12,000 neg. + good banking benefits

Our client is an International Merchant Banking Group, based in the City. Due to continued expansion a new position has been created for a further Executive to join the Corporate Finance team.

The nature of the duties encompasses domestic and international work. The scope of this position is very large and calls for a mature personality coupled with a high level of technical achievement. The *successful applicant must be capable of working on* his/her own, and of representing recommendations to *clients as well as acting in specific technical areas as* a team member. The person will have had excellent previous Corporate Finance experience and will look to progress in this meritocratic bank.

For further details
please write in strictest confidence to
David Clark FCA
quoting Ref. 1202

David Clark Associates
4 New Bridge Street, London E.C.4
Telephone: 01 353 1867

LEADERS IN RETAIL FASHION
West London

Our client is a very successful market leader in women's retail fashion with 120 outlets and a turnover of around £40m. The group is expanding rapidly, has diversified into other areas (including property and banking) and is seriously considering development into overseas markets.

The urgent requirement is now to form a top flight finance team and we have been retained to recruit two key members:

FINANCIAL CONTROLLER—Neg. to £16,000

The Financial Controller will supervise the entire finance function and will be particularly involved in the development of computer systems and the provision of financial and commercial advice to management, as well as the normal controllership functions.

Candidates should be qualified accountants (pref. C.A.) with both public practice and industrial/commercial experience combined with powers of judgement, decision taking and commercial acumen. Probable age 30-40 (Ref. 2424a).

ACCOUNTING MANAGER—Neg. to £11,000

The *Accounting Manager* will manage the large and busy financial accounting function for the group, with extensive staff responsibilities and the opportunity to aid the *Financial Controller* in systems development.

Candidates should be accountants with a good deal of experience in the management of an accounts department, the strength of character to motivate and develop staff and a talent for managing people and their work programme. Probable age *30-45 (Ref. 2424b).*

A company car is provided as part of the salary package, and other reward benefits will include an annual bonus, private patients plan and a non-contributory pension scheme.

For further information and a personal history form please contact Neville Mills, A.C.I.S. or Kevin Byrne, B.A. quoting the appropriate reference.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

INSTRUCTOR

For a large multinational bank, to teach executive trainees *destined for a career in International banking overseas.* The Appointee will involve himself/herself in teaching programmes on the Group's recently reorganised induction programme' to be based in London. His/her teaching and organisational duties will be as follows.—

Teaching

Initially he/she will be expected to teach the following subjects to Stage II level of the Institute of Bankers *Examinations:—*

Applied Economics
Law Relating to Banking
Finance of International Trade

Organisation

The Appointee will be expected to help in the development of all teaching and training programmes as the training course for international trainees develops and also assist in the *creation and development of training courses for U.K. based* staff.

The Appointee—will be either a *professionally-qualified* banker with teaching experience or a graduate in the relevant subjects with extensive teaching experience.

The Appointee will be expected to take up duties from 1 September, 1979. Terms of service negotiable.

Please send full details of qualifications, previous experience and salary to:—

Box FT/578, c/o Hanway House.
Clark's Place, Bishopsgate, London, EC2N 4BJ.

Marketing Director

Express Dairy Milk Ltd • Age 32-37

The milk interests of Express Dairy Company Limited, which is part of the Grand Metropolitan *Group, are centred around London, northern* England and the West Country with annual sales *in excess of £200m. This is a new appointment* which will report to the Company's Managing Director at South Ruislip. The task will be concerned not only with the daily distribution of fresh milk and cream, but with a range of other products (not all dairy based) which are sold to domestic households and which have increasing potential through certain retail, wholesale and industrial markets.

The Marketing Director will be required to define and recommend Company marketing policy and strategies, to plan and execute specific Company marketing programmes, and, to develop a total marketing service in support of the marketing activities undertaken by the three Regional subsidiaries. *Responsibilities will* include the control of the central A & P budget, *new product developments and packaging and* general business developments to increase *sales and net profits.*

The starting salary will be of interest to men or women currently earning around £9,000 p.a. Other benefits include company car and contributory pension scheme.

Candidates should be graduates with some years managerial experience with a national retailing group in the grocery or allied fields and also have professional marketing management experience. Given success, the position should lead to wider commercial responsibilities.

Please write in confidence with brief, relevant career details to
H. C. Holmes,
Bull, Holmes (Management) Ltd.,
45 Albemarle St., London W1X 3FE.

Bull Holmes
PERSONNEL ADVISERS

GILBERT ELIOTT & CO.
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EXPERIENCED DEALER
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01-628 6782

Managing Director

Printing Machinery Sales — c. £15,000

This is a *fascinating opportunity for an entrepreneur, salesman and* businessman to exploit a series of shrewd agency decisions and at least treble the size of a *small, but respected, well-known and profitable* business in the space of the next two to three years. Future growth depends only *on results; the company is part of a large international* Group.

Candidates, *male or female, must have an outstanding reputation* for selling to the printing industry and the ability to manage a complete business.

Earnings will be made up from a five figure salary plus a generous share in the profits.

The company's base is in London.

Please write in complete confidence quoting *Ref: 645/DT to* T. E. Linnell who is advising our client on this appointment.

CB-Linnell Limited
8 Oxford Street, Nottingham
MANAGEMENT SELECTION CONSULTANTS
NOTTINGHAM · LONDON

هكذا من الأصل

GROUP TAXATION MANAGER

West End **£11,000 + car**

This is a new position arising from substantial growth at home and overseas. The Taxation Manager will report directly to the Group Financial Controller and will be responsible for the preparation and agreement of the UK tax computations, tax planning and exchange controls for the group with some international involvement.

This is a multi-national public company with a consolidated turnover in excess of £70 million from a variety of industrial services. Applicants (male or female), aged 26-32, should be qualified accountants with broad corporation tax experience. Please telephone or write to Stephen Blaney B.Comm., ACA quoting reference I/1816.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

FINANCIAL DIRECTOR (DESIGNATE)

S.E. Cheshire **c. £13,000 + car**

A manufacturing Company serving the world market in high quality specialist products (25% of output is exported) desires to strengthen its Board for future developments. Products are many and varied and contain a high labour and management cost element necessitating tight controls. The Company is the U.K. leader having £8.5m turnover and a 5 year plan to expend to £27m from a strong financial base.

The successful candidate will be entrusted with the financial health of the Company and the integrity of its accounting function. To adequately perform his tasks he must be capable of policy formulation and effecting change without disaffecting existing management. He will understand the role of Direction as opposed to Management and be ready now to accept the mantle of a Main Board Appointment.

Candidates (male or female) will be qualified accountants aged 35-45 and must have:

- a basic business acumen with some past responsibility for commercial decision making.
- experience at senior level in a manufacturing company, responsible for accounting standards, accounting systems, setting business objectives and performance interpretation.
- departmental management experience with responsibility for the work quality of others
- a desire for full involvement in a Company and its development.

Please telephone or write to Mr. N.F. Churchill,
Executive Resources Ltd.,
City Centre House, Union Street,
Birmingham B2 4SR.

Tel. 021 643 6071.

Young Accountant with Management Ambitions

c. £7,000 **CITY**

We are the youngest of the big 5 clearing banks and we feel that this is reflected to advantage in our approach to business and in the challenge this presents to our Accountants. We are looking for a Chartered Accountant to work in the Banks's central accounting function and, through this, be involved in various aspects of banking and finance in our Group.

The successful applicant will be responsible for the accounting systems from which the Bank's profit and loss account is prepared. The Accountant will be fully involved in the preparation of the Bank's quarterly financial accounts and profit forecasts and will participate in the analysis of results. In addition there will be non-routine work related to the Bank's existing and future activities.

Some experience of working or auditing in a financial institution would be useful, but previous experience of bank accounting is not essential. The post would suit a recently qualified Accountant seeking a first move outside the profession. Career prospects are good and the successful candidate could have the opportunity to manage a small specialist team within a relatively short time.

We offer the excellent benefits you would expect of a large bank, including house purchase and profit-sharing schemes.

Please telephone or write for an application form to: M. T. Brookes, Williams & Glyn's Bank Ltd., New London Bridge House, 25 London Bridge Street, London SE1 9SX. Tel: 01-407 3121, ext. 460.

WILLIAMS & GLYN'S BANK

£6,000 accountancy appointments £9,000

These appointments appeared in the Financial Times on 3rd April. For full details see the F.T. of that date or alternatively telephone Julie Burgess on 01-248 8000 ext. 526.

JOB TITLE	SALARY	LOCATION	ADVERTISER
Group Chief Accountant	c£12,000 + Car	N. London	Accountancy Personnel Senior Appts.
Financial Management	c£8,500	W. London	Reed Executive
Treasury Manager	£8,000 + Car	C. London	Robert Half
Tax Accountant	£8,500	London	Robert Half
Young ACA	c£7,500	C. London	Robert Half
" Career in Finance "	—	Germany	FCB/Beckwell
Management Accountant	c£8,000 + Car	West End	Ladbrokes Leisure
Financial Controller	c£8,000	Nr. Edinburgh	Ashton Containers
Accountant—Training	—	London	Peat Marwick Mitchell
Chartered Accountant	—	—	Charterhouse Japhet
Staff Internal Auditor	—	London	Tradax England
Accountant	c£6,000	Plymouth Area	Bradbury Wilkinson
Accounting Manager	40,000 Guilders	Rotterdam	G-B Management Services
Senior Principal Accountant	Up to £10,280	Botswana	Crown Agents
Finance Director Designate	c£8,500 + Car	Middlesex	Personnel Resources
Group Accountant	c£8,500 + Car	Woking Area	Personnel Resources
Young ACA	£8,500 + Car	Essex	—
ACA	£6,000	Romford	Clemence Hoar Cummings

Outstanding Young Accountant

c. £9,000

This position is intended for an accountant in his/her 20's with both the ability and the drive to make an early contribution to the effective control of a large and highly successful engineering company whose exciting range of very advanced products are marketed on a world-wide basis. The initial role will be to control and further develop the audit function as head of a small team, with the clear prospect of promotion within the finance function after approximately two years of company familiarisation.

The size and sophistication of the business will provide ample long term prospects and job satisfaction for the most ambitious of individuals.

The position is based in an accessible part of South Hertfordshire. If necessary relocation assistance will be provided.

Please write to B. H. Mason at John Courtis and Partners Ltd., Executive Consultants, 78 Wigmore Street, London W1H 9DQ, quoting reference 666/FT.

JC&P.

c£10,000 p.a.
Internal Auditor—Europe
LONDON
International Company

Qualified or part qualified accountant. Fluent English plus French and German essential. At least two years accounting or internal audit experience preferably with an American company. Candidates must be prepared for extensive European travel. Career opportunity for young man or woman. Fringe benefits include pension/life cover, BUPA and re-location expenses.

Suitably qualified candidates please phone 01-493 7117 for application form quoting MRD 8026 (24-hour answering service).

MRD

Management Recruitment Division
BOYDEN INTERNATIONAL LTD.
11/15 ARLINGTON STREET, LONDON, SW1A 1RD.
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ASSISTANT COMPANY SECRETARY

A medium sized public group which operates throughout the UK and overseas, with a turnover of £30 million seeks a qualified Chartered Secretary to take over the responsibilities of Assistant Company Secretary.

The successful applicant will be under 30 years of age and have 3/4 years post qualifying experience. A sound working knowledge of the Companies Acts together with practical experience of pensions, insurances and the general duties of a Secretarial Department will be required.

Initial salary will be £7,500 per annum plus other benefits. The post is located in London, S.W.1.

Brief but comprehensive details of career to date should be sent to Box No: A6726, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY.

ASSISTANT INVESTMENT MANAGER

Commodities and commodity shares

A leading merchant bank is expanding its department which advises a range of clients on commodities and commodity shares on a non-speculative basis.
The Fund Manager is seeking to recruit and train an assistant who would be capable of taking on management and client liaison responsibilities after an initial period.
The successful candidate is likely to be educated to degree level and to have had some commercial experience involving commodities and commodity share analysis. Some knowledge of the fundamental effects of world economic activity on the price of industrial commodities would also be an asset.
The target age bracket is between 25-33 years, and the successful candidate will require the strongest of references.
The reward range is £10-£15,000 p.a. according to age and experience.

Please write or telephone in confidence to:
SOMERSET GIBBS,

Directorship Appointments Limited
17 Devonshire Street, London W1N 1FS.
01-580 7357.

INTERNATIONAL TREASURY ASSISTANT

The Amsterdam based international treasury group of a major U.S. corporation requires an assistant. We provide financing for 20 foreign subsidiaries in all parts of the world and manage the currency exposure of the total company. The assistant, he or she, will trade in key currencies and share in all activities of the group, including the development of currency management strategies and liquidity planning. Applicants, age 20 to 35, should have experience from a similar current assignment. The position provides unusual career potential. We offer an attractive salary and fringe benefits package. Applicants from outside Holland must be prepared to move to Amsterdam.

Write Box A.6728, Financial Times, 10, Cannon Street, EC4P 4BY.

Marketing Director

CONSUMER PRODUCTS

for a highly successful and fast moving group with sales in excess of £150m and a substantial market share. The purpose of this new appointment is to increase penetration and profitability still further.

- THE POSITION carries board level responsibility for defining and planning effective programmes in conjunction with major customers. Emphasis will be on strengthening top level business contacts and initiating detailed negotiations across the whole range of marketing and promotional activities.
- THE PRIME REQUIREMENT for success is a record of achievement in a senior sales and marketing role within a disciplined and sophisticated consumer goods environment.
- SALARY: £25,000. Age: 35-45. Location: Scotland.

Write in complete confidence to P. Craigie as adviser to the group.

TYZACK & PARTNERS LTD
MANAGEMENT CONSULTANTS
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN
10 HALLAM STREET LONDON W1N 6DJ

Financial Controller From £8,000+

Due to internal promotion, Texas Instruments Ltd., seeks a qualified accountant to take responsibility for all accounting and financial aspects of one of its major UK Divisions, which is primarily engaged in marketing and distributing a wide range of products extending from calculators to high technology microprocessors and computer peripherals.

Reporting directly to the General Manager, the successful candidate will be involved, as one of the management team, in all aspects of this fast growing business.

Candidates, probably aged 25–35, will be qualified ACA/ACMA/ACCA and have at least 3 years' experience in financial control and planning. Knowledge of inter-divisional company accounting methods and computer systems would be an advantage. The ability to communicate effectively and influence decisions at all levels across several inter-relating operating divisions is essential.

Salary, dependent on ability and experience, will be negotiated from £8,000+. First class benefits include relocation assistance to Bedford where appropriate.

The post offers a challenging opportunity and excellent prospects for further career development within an international company known for its leadership position in tomorrow's technology.

Interviews will be held in Bedford on 17-20th April, please send brief details of your qualifications and career experience to: Ann Stevens, Texas Instruments Limited, Manton Lane, Bedford. Tel: Bedford (0234) 67466, ext. 3236.

Texas Instruments Ltd.—an equal opportunity employer.

TEXAS INSTRUMENTS LIMITED

FINANCIAL ANALYSIS AND CONTROL

W.C.1 **Emoluments to c.£11,500 + Car**

Our client, a major U.K. industrial group with extensive international interests, has substantial plans for further development.

The Group now seeks to recruit a Senior Financial Analyst, to join a highly skilled department which is responsible for: long term financial planning, new business and profit improvement studies, profit forecasts, review of major projects and various non-routine financial matters. The department has a strong "controllership" function with responsibility for the on-going analysis of operating performance.

Candidates, probably in their late 20's/early 30's, will be graduates and either qualified accountants or M.B.A's. with at least two years' experience within a sophisticated analytical function. They should possess the maturity, presence and commercial awareness to communicate effectively with management at Main Board level, and be looking to succeed within a competitive corporate environment.

There are excellent opportunities for subsequent advancement in the group.

For more detailed information and a personal history form, please contact Nigel V. Smith, A.C.A., or Peter Dawson quoting reference 2398.

Commercial/Industrial Division
Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DLA

Management Accounting

c. £8,500 p.a. + profit sharing **London W.1.**

This is a challenging appointment at the centre of a major British chemicals group which has an established commitment to staff development.

Responsibilities give scope for autonomy and initiative in assisting in special projects and feasibility studies on behalf of the Group Finance Director and in defining accounting procedures within operating divisions.

Applicants should be young qualified accountants, preferably graduates, with a constructive and innovatory approach and able to communicate effectively at top management level.

Applications in confidence to B. G. Luxton quoting reference 6341.

This appointment is open to male or female candidates.

mh Mervyn Hughes Group
2/3 Cursitor Street, London EC4A 1NE
Management Recruitment Consultants
01-404 5801

CJA

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

An important position — scope exists to advance to a senior financial marketing position either in the UK or overseas within 18-24 months

CREDIT ANALYST—EUROPE

CJA LONDON

£8,000—£10,500 + CAR

EXPANDING INDUSTRIAL CORPORATE FINANCE COMPANY — SUBSIDIARY OF INTERNATIONAL BANKING CORPORATION

This vacancy calls for bankers, aged 26-29 with a minimum of four years' commercial banking experience and at least 18 months' practical credit analyst experience acquired either in a U.S. or multi-national bank dealing with clients on the European Continent. Responsbilities are widely drawn and will cover the vetting of applications produced by branch office managers for financings ranging U.S.$250,000-U.S.$5 million and ensuring that transactions conform to company policy; the logging and controlling of paper flow and monitoring credit exposures and procedures on an ongoing basis. The ability to think constructively and a capacity *for clear expression both orally and in writing is important. Initial salary negotiable;* £8,000-£10,500 + car, free life assurance, family BUPA, home mortgage facility, non-contributory pension scheme and *assistance with removal expenses if necessary.* Applications in strict confidence under reference CAE3913/FT, to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED
35 NEW BROAD STREET, LONDON EC2M 1NH – TELEPHONE: 01-588 3588 or 01-588 3576 – TELEX: 887374

FINANCIAL CONTROLLER—EDUCATIONAL TRAVEL

LONDON

£8,000-£10,000+BONUS+CAR

AMERICAN INSTITUTE FOR FOREIGN STUDY, THE LEADING AMERICAN EDUCATIONAL TRAVEL COMPANY

For this new appointment, we invite applications from Accountants (A.C.A., A.C.C.A., A.C.M.A.), aged 25-30, male or female, with at least 2 years' post-qualification experience outside the profession, in any demanding commercial organisation. *The prime responsibility will be to control the entire accounting operation for Europe,* through the supervision of an accounting team of up to 10 people. Although the current accounting system is manual, the decision to computerise *within 2 years has been made, therefore* previous experience of developing and using computerised systems is highly desirable. Essential qualities are an eye for detail, a liking for hard work under pressure, as well as a sense of humour. Initial salary negotiable £8,000-£10,000 + bonus + car, non-contributory pension, free life assurance and disability schemes, free personal and family BUPA. Please send fullest career details in strict confidence to:

A. J. TAYLOR, FINANCIAL DIRECTOR, AMERICAN INSTITUTE FOR FOREIGN STUDY,
37 QUEENS GATE, LONDON SW7 5HR.

Company Lawyer

This new appointment is an opportunity to join a company in one of the world's major chemical organisations.

It will be of interest to a lawyer who wishes to change the direction of his or her career and has the potential to justify *promotion in the future, either in the U.K. or abroad.*

Working with the Company Secretary, *responsibility will* be shared for the legal function, which will include anti-trust, EEC, corporate and commercial law, environmental law, product liability, taxation and employment law.

Essential qualifications are: a degree; 5 to 10 years' post-qualification wide commercial experience in company *commercial law, preferably in private practice* or at the Bar in the U.K.; and a willingness to travel a reasonable amount.

Candidates must be accustomed to dealing with people at senior level. A business management degree, knowledge of EEC and U.S. law and a major European language would be an added advantage.

Salary and benefits package is typical of large companies and comprehensive relocation assistance to the London area is available.

If you feel you have the capacity to meet this exceptional opportunity, please write to or telephone:
Trevor Coulson, Personnel Adviser,
Du Pont (U.K.) Limited, Du Pont House,
18 Bream's Buildings, Fetter Lane,
London EC4A 1HT.
Tel: 01-242 9044.

DU PONT

General Manager

North West, £12,000 - £14,000 plus car

This is an opportunity to start a new division involving *recently developed technology.* It will represent a further extension of my Client's contracting activities within the *Oil, Petro-Chemical and Process industries. The General* Manager, who will be profit responsible, will recruit staff, *set operating procedures, integrate necessary group support* facilities and introduce the service to new and established *customers of this substantial international group.* Applicants, 35 - 45, graduate engineers, will be successful *General Managers* with direct involvement in, or association with, the above industries but above all they must be *tough, commercial self-starters with boundless energy.*

R.D. Howgate, Ref: 27117/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
MANCHESTER: 061-236 8981, *Sun Life House, 3 Charlotte Street, M1 4HB.*

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

Financial Accountant

Insurance: EC4

Negotiable salary & Mortgage assistance

A well-known International Insurance Group requires an ACA or ACCA to take charge of the day-to-day financial accounting operations of its London Market operation (p.i. £50m).

Candidates with relevant experience are asked to contact Mr. D. R. Whately. His private telephone number is 01-623 9227 and the reference is 465.

WHATELY PETRE LIMITED,
Executive Selection,
6 Martin Lane, London EC4 0DL.

WPL

D. J. FREEMAN & CO.

require a
COMPANY/COMMERCIAL SOLICITOR
and a
COMMERCIAL CONVEYANCER

of ability and experience. The work in each department is interesting and varied. The salaries are substantial and career prospects are excellent.

Apply:
Mr. Tony Leifer
(Company/Commercial)
Mr. David Solomon
(Commercial Conveyancing)

Telephone: 01 636 4055
9 Cavendish Square London W1M 9DD

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Telephone NOW 0273 202377
24-hour answering service

Chief Accountant/ Company Secretary

Up to £10,000 + Car

to join CTL The British Computer Systems and Software Company, whose present turnover is over £6m and growing fast.

We now seek a Chief Accountant/Company Secretary whose overall responsibility will be for short term forecasting, stewardship accounting and general secretarial and administration duties.

As head of a small, professional but highly motivated team, the successful candidate will be directly responsible for the preparation of annual and management accounts, *operating within overdraft facilities, the collection of debts, maximising the use of* computer aids and secretarial services. Candidates, men or women, ideally aged *around 35, will be qualified accountants, ACMA, ACCA or ACA, with an ability to lead* and motivate a small team of personnel. Experience in computer technology or similar *industry would be an advantage.*

We offer a salary of up to £10,000, company car and excellent conditions of employment including relocation expenses, where appropriate.

Please write or telephone for an application form to

Jill McDavitt, Personnel Manager,
Computer Technology Ltd.,
Eaton Road, Hemel Hempstead, Herts. HP2 7EQ.
Tel: Hemel Hempstead (0442) 3272.

CTL
The British Computer Systems and Software Company

FINANCIAL CONTROLLER

France

Our client is the French subsidiary of a large US corporation, employing 300 people and with consolidated sales of 60,000,000 FF. They need an experienced man or woman to take over the position of Director of Administration and Financial Controller.

Reporting to the President, the successful applicant will control a team of 18 people responsible for the accounting, financial, legal and fiscal functions of the Company's three operating units.

Aged 30-40 and fluent in both French and English, applicants should have at least 5 years sound professional experience in

★ French accounting
★ US reporting
★ Manufacturing Cost Accounting
★ Treasury
★ Data Processing.

A generous salary will be offered, together with housing assistance and relocation expenses if necessary (the job will be based 35km south-west of Paris).

Please apply in confidence to:
Miss B. Schädlich-Le Murger- Alsace C-28100 Dreux-France.

JWT Recruitment Ltd
Executive Recruitment & Selection

COMPANY SECRETARY

required to replace retiring Company Secretary. The Company, founded in 1909, is based on road and air transport covering design, service and manufacture. It owns and operates the Cambridge Airport and works with a Group employment of over 3,000.

Responsibility includes all legal, insurance and E.C.G.D. matters. The Secretary also works in close association with the Accounts, Commercial and Personnel Departments.

An excellent salary is offered, which is negotiable, relocation expenses and a Company housing scheme is available, if required.

Write to the Managing Director:
MARSHALL OF CAMBRIDGE (ENGINEERING) LTD.,
Airport Works,
Newmarket Road, Cambridge CB5 8RX.

ECONOMIST

The Reserve Bank of Australia is seeking an experienced economics graduate to head a small analytical section in its London Office.

Applicants should have an honours degree in Economics with emphasis on monetary theory and policy, and international economics. Experience in analysing current economic and financial conditions would be an advantage. Commencing salary to £7,000 envisaged with other benefits usual in the banking industry.

Applications stating age, qualifications and experience should be made in writing to the Chief Representative in Europe, Reserve Bank of Australia, 8-10 Old Jewry, London EC2R 8DT.

CREDIT ANALYST

Age 25-28 **£8,000**

A very well-known International Bank with major expansion plans seeks to appoint an ambitious and able person to the above position. The successful candidate will *be a qualified accountant, with at least 2 years' banking experience in an area* having relevance to the work involved. In addition, the appointee will be able to demonstrate an aptitude for disseminating and communicating financial information regarding the viability of lending propositions received from corporate UK customers.

Reporting to a Director, the incumbant will also play a major role in advising and liaising with a broad spectrum of the bank's *senior management team, and prospects for rapid personal advancement* are clearly defined.

In addition to an attractive salary, this position carries a wide range of benefits, including a generous mortgage facility, profit sharing, n/c pension scheme and life assurance.

Please telephone, in confidence, Neil Keane,

BANKING PERSONNEL
41/42 London Wall - London EC2 - Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)

Financial Controller (Director Designate)

£10,000 + car

This is an excellent opportunity for a commercially *minded qualified* accountant to play a key role in the *management of a growing business.* The company, with a £2m turnover, is a *profitable, autonomous division of a* well-established international freight *group. The person appointed will report* to the Managing Director and work closely with him applying financial knowledge to commercial judgement to achieve the growth potential. Important responsibilities include forecasting, budgetary control, the production of regular management information, credit control and the monitoring of cash flow and liquidity. Ideally, candidates will be in their early 30s with at least three years' post-qualification experience in a management position. A service industry background would be *advantageous together with a broad* range of experience in the accountancy *function. Location: Cheshire.*

PA Personnel Services
Ref: AA56/6847/FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services
Hyde Park House, 60a Knightsbridge, London SW1X 7LE Tel: 01-235 6060 Telex: 27874

PA
A member of PA International

INTERNATIONAL BANKING

MANAGER, CREDIT c. £10,000
To be responsible pricipally for the financial analysis function in this international Leasing co. Must has a strong Credit background and supervisory ability.

EUROBOND SETTLEMENTS to £7,000
An exceptional opportunity with a very active international Investment bank for someone with really sound experience of all aspects of both the primary and secondary markets.

INTERNAL AUDIT c. £4,500
Prominant N. American bank extends this progressive career opportunity to a bright young A.I.B., preferably with some international banking/auditing experience.

CHIEF ACCOUNTANT c. £12,000
Will have overall responsibility for the accounting/reporting in an energetically developing Consortium Bank. Accounting qualification and banking exp. are essential.

Please phone Ann Costello or John Chiverton A.I.B.

JOHN CHIVERTON ASSOCIATES LTD.
31, Southampton Row, London, W.C.1.
01-242 5841

BANKING EXECUTIVE c. £10,000

COMPANY	Top British Merchant Bank
AGE	28-35
POSITION	BANKING EXECUTIVE with knowledge of ECG work and documentation. Familiar with confirming house credit systems. Ability to read balance sheets and interpret.
PERSONALITY	Strong personality able to deal with Finance Director with authority and talk with in-depth knowledge of trade finance and international markets.
REWARDS	A senior position with a top banking company. Excellent salary and benefits package
ACTION	Contact Roy Stockton M & J PERSONNEL CONSULTANTS Grand Buildings, Trafalgar Square, WC2 - 01-839 1836/7

Young Chartered Accountant

c. £7,250+car **W. London**

Our client is a major International Company going through a further phase of expansion.

Due to internal *promotion, we are currently recruiting* a young qualified accountant who has gained excellent experience within the profession and now feels that a move into commerce would benefit a career *progression.*

The successful applicant will join a small H.O. team and be involved in a wide range of accounting activities covering group accounting, financial *reporting, treasury and corporate restructuring.*

Coupled with an attractive salary, there are excellent prospects within this group.

Please reply in strictest confidence to:
David Clark F.C.A.,
quoting Ref. 1101.

David Clark Associates
4 New Bridge Street, London E.C.4 01 353 1867

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OVERSEAS DEVELOPMENT

KNOW-HOW-vital to developing countries

ACCOUNTANT

Imatong Forest Project **Sudan**

Responsible to the Project Manager for the detailed setting up and operating of the accounting, costing, and storekeeping systems which will monitor the cost of all operations; to provide assistance with general administration and personnel matters, and to train Sudanese accounts staff to implement the systems. Applicants aged 27-55 years must have experience in Commercial Accounting; financial and cost accounting and financial storekeeping. Applicants should be physically fit, have overseas experience, and be prepared to work in a remote and isolated location.

Appointment 2 years. Salary (UK taxable) £8,500 — £9,500 according to qualifications and experience, plus a variable tax free overseas allowance currently in scale £1,040 — £2,260 according to domestic circumstances (ref. 328D).

The post is wholly financed by the British Government under Britain's programme of aid to the developing countries. In addition to basic salary and overseas allowances other benefits normally include paid leave free family passages, childrens education allowances and holiday visits, free accommodation and medical attention. Applicants should be citizens of the United Kingdom.

For full details and application form please apply, quoting reference stating details of age, qualifications and experience to:—

Appointments Officer,
MINISTRY OF OVERSEAS DEVELOPMENT,
Room 301, Eland House.
Stag Place, London SW1E 5DH.

ODM

HELPING NATIONS HELP THEMSELVES

Assistant Managers

MERCHANT BANKING

P. S. Refson & Co. Limited is seeking two additional Assistant Managers for its New Business Department.

The successful candidates will be aged 27-32, hold university degrees and/or professional qualifications and have at least three years' international banking experience. A sound knowledge of trade finance and a proven aptitude for credit assessment are essential. Fluency in foreign languages and a readiness to travel at short notice will be further recommendations.

Salary rewards and prospects will reflect the importance attached to these positions and will satisfy the most ambitious. Please reply in confidence to:

The Managing Director,
P. S. Refson & Co. Limited,
13, Austin Friars,
LONDON EC2N 2HE.

Project Finance

Our client, one of London's leading Merchant Banks is expanding its project finance business and requires an experienced project executive to undertake advisory and financing arrangements.

The most promising candidate for this position is likely to have had experience of international capital markets with an established merchant, commercial or investment bank *and be in his or her late* twenties. Knowledge of export finance, financial mathematics and languages together with a readiness to travel are all desirable attributes.

Salary is negotiable in the high four figure range and the comprehensive package includes mortgage subsidy, non contributory pension scheme, free life assurance and BUPA.

Applicants should write with full career details and experience stating any organisations to whom your application should not be forwarded to:–

J.D. Vine, Account Director (Ref CRS/108),
Lockyer, Bradshaw & Wilson Limited.
North West House, 119/127 Marylebone Road, London NW1 5PU.

LBW
LOCKYER, BRADSHAW & WILSON
LIMITED

GROUP ECONOMIST

TI is a diversified engineering group with interests ranging from precision steel tube and primary aluminium production to machine tools and domestic appliances. Group turnover is over £1 billion, 40% of which is overseas.

The Corporate Planning Department, which is located in central London, is seeking a replacement for the present Group Economist, who is making a career development move within the group. The position involves giving advice and comment on economic matters to senior TI management, *together with responsibility for environmental input to company planning;* the position is the focus for economic work throughout the group.

The successful candidate will be an experienced business economist, probably in his/her 30's. His/her background is likely to have been in a large manufacturing organisation with significant international operations.

Salary and conditions of employment are competitive and include a company car. Relocation assistance is available where appropriate. Please write outlining education, experience, salary, etc. to: Brian Ashworth, Director of Corporate Planning, Tube Investments Limited, Bridgewater House, Cleveland Row, St. James's, London SW1A 1DG.

TI GROUP

ORD MINNETT

Members of the Sydney Stock Exchange

CORPORATE FINANCE EXECUTIVE

The Firm: Ord Minnett is one of Australia's largest stockbrokers. It is active in new capital raisings for corporations and semi-governmental authorities.

The Position: To work in Sydney with the senior partner responsible for corporate finance activities in developing fund raising proposals and associated advisory services for clients, preparing documentation for new capital issues and having a particular responsibility for monitoring sources of finance for Australian industry.

Experience: A stockbroking or merchant banking background with an involvement in fund raising and corporate activities would be useful but is not essential.

Qualifications: Accountancy or university degree.

Preferred Age Range: 28-38 years (experienced candidates outside this indicative age range should not be deterred from replying).

Salary: To be negotiated at an attractive rate in the light of experience and qualifications. This position offers attractive opportunities for advancement.

Please reply, enclosing curriculum vitae, to:—

B. J. Gallery
One College Hill,
London EC4R 2RA.
Telephone: 626 7031.

INTERNATIONAL INTERNAL AUDIT

U.K. Based **to £8,500**

Our client, a leading U.S. corporation with manufacturing and transportation interests, is seeking two qualified accountants for its international audit division.

The vacancies are with a team based in the South of England with responsibility for financial and operational audits in Europe, North Africa and the Middle East. Up to 60% of the work is conducted overseas. The corporation encourages career development within internal audit and provides opportunities to transfer to other international locations.

Ideal candidates will be graduate chartered accountants with up to three years post qualifying experience either in a major accounting firm or in a commercial business environment. The positions are open to both men and women.

For further information and a personal history form please send brief personal and career details, in confidence, and quoting reference A125, to Douglas G. Mizon, 57 Chiswell Street, London EC1Y 4SY.

Whinney Murray & Co.
Turquands Barton Mayhew & Co.

Financial Controller

£9,500 + car **Yorkshire**

Financial management plays a participative role at all levels within the organisation structure of this major retailing group who have established a dynamic market record in the U.K. This new appointment will be responsible for the direction and supervision of a large accounting establishment which provides comprehensive control information for operating management. In addition to planning, organisation and setting departmental objectives, he/she will play a significant role in the management of the business. The successful applicant probably under 35 will be qualified with a background which includes the use of computer based systems. Commercial acumen and general management potential are additional key attributes.

Fringe benefits are consistent with the standing of a major group including relocation where appropriate.

Please write in confidence or telephone D. S. Thompson (Ref. 1156MA).

mh **Mervyn Hughes Group**
53/55 PRINCESS STREET, MANCHESTER M2 4EQ 061-236 8935
Management Recruitment Consultants

Senior Loans Officer

£18,000 neg+benefits

London based

We have been retained by our client, a City-based division of a major international merchant banking group, to recruit a Senior Loans Officer.

This new position has been created to develop its expanding business in syndicated loans and other primary business. *Reporting is direct to the* Managing Director.

The area of coverage is worldwide, with emphasis on Europe, the Middle East, and Africa.

An international banker is required, probably in their early thirties, with a successful track record based on initiative and persistence.

Strong contacts are necessary not only with primary and secondary borrowers, but also with the wholesale banks.

Please write with full details, in confidence, to Jack S. Pine, M.A.

Ref: F1401

David Clark Associates
4 New Bridge Street, London E.C.4
Telephone: 01 353 1867

JAMES CAPEL & CO.

EXCEPTIONAL OPPORTUNITY IN U.K. EQUITIES

We are looking for Executives for our U.K. Institutional Equity Department to add further to our marketing capability.

This is an outstanding chance to join a friendly and professional team, working closely with a Research Department of the highest calibre.

We are not restricting our search to people with any specific qualification or of any particular level of seniority, but the opportunity should appeal especially to:

Successful marketing executives with proven records, who feel that their worth is not fully realised in their present positions, or are concerned about their longer term futures, or

Individuals with less experience who are enthusiastic to market top quality research.

Emoluments will be very competitive.

If you think you might be interested, please ring or write in confidence to:

Peter Quinnen,
James Capel & Co., Winchester House,
100 Old Broad Street, London EC2N 1BQ.
Tel. 01-588 6010

Senior Adviser on Social Security & Pensions Policy

£8,000-£10,000

The Confederation of British Industry is looking for an experienced graduate to prepare papers for the CBI Committee on social security and occupational pensions; assist in the commissioning, control and analysis of research into specific aspects of these subjects; and handle *enquiries from members.*

Applicants should have a knowledge of the UK social security system and/or occupational pension schemes and practical experience in one of these fields. A relevant professional qualification would be an advantage.

Salary £8,000-£10,000 p.a. according to age and experience.

For application form write/telephone Miss S. A. Bridgett, Personnel Division, CBI, 21 Tothill Street, London SW1H 9LP. Tel: 01-930 6711 extn. 34.

The Confederation of British Industry
Britain's Business Voice

Young Bank Officers

Algemene Bank Nederland N.V. is one of Europe's largest banks with a network of branches throughout the World. *Owing to rapid expansion we are seeking the services of a* number of experienced young bankers to augment the staff of our London offices.

Ideally, candidates will be *in their mid* twenties and will be qualified AIB or in the process of completing their examinations. The positions vacant will be filled by well motivated people who have wide basic experience in general banking and are now *looking for early career progression together with the opport*unity to extend their knowledge in a fast expanding environment.

Competitive salaries, commensurate with experience, will be *offered together with benefits associated with a leading bank.*

Written applications, giving brief relevant details, should be addressed to:–

P. B. Renk, Personnel Manager,
ABN Bank, 61 Threadneedle Street,
London E.C.2.

ABN

Young Qualified Accountants – for Management Consultancy

London

up to £7500 + subsidised mortgage

We are a leading international composite insurance company and have opportunities for one or two young qualified accountants within the management consultancy department of the International Finance Division.

The management consultancy department is engaged in a number of projects involving the design and implementation of management information and accounting systems. The work requires persons with initiative who are willing to tackle a demanding job.

Starting salary, which will depend on qualifications and experience, will be up to £7,500.

The Company offers excellent conditions, including subsidised mortgage facilities, a first class pension scheme and free lunches.

Please write with full details to:

J.N.C. Benstead,
Commercial Union Assurance Company Limited,
Leadenhall House, P.O. Box 93,
100 Leadenhall Street,
London EC3P 3HD.

CU
ASSURANCE

Foreign Exchange Advisors

Bank of America, the world's largest international bank, is expanding its Money Market and International Treasury Services units in London. A small number of additional foreign exchange advisors are required to provide money market and treasury advice directly to the bank's major multinational customers.

Applicants should have corporate/banking experience or an international economics background and have a strong interest in foreign exchange and money markets.

Excellent career development opportunities—including corporate finance and administration—exist within the bank's international operations. Attractive starting salaries will reflect qualifications and experience, and other conditions of employment are in line with best banking practice.

Please write in strictest confidence, with full personal, salary and career details to: G. L. Hope, Bank of America NT and SA, Personnel Planning and Recruitment, 25 Cannon Street, London EC4P 4HN.

BANK OF AMERICA

UNIVERSITY OF GEZIRA SUDAN

Applications are invited for the following posts in the Faculty of Economics and Rural Development:

1. ENDOWED CHAIR IN RURAL DEVELOPMENT
2. ENDOWED CHAIR IN BANKING
3. PROFESSOR/ASSOCIATE PROFESSOR/LECTURER IN SOCIOLOGY
4. PROFESSOR/ASSOCIATE PROFESSOR/LECTURER IN ACCOUNTANCY
5. PROFESSOR/ASSOCIATE PROFESSOR/LECTURER IN MACRO-ECONOMICS
6. PROFESSOR/ASSOCIATE PROFESSOR/LECTURER IN AGRICULTURAL ECONOMICS
7. PROFESSOR/ASSOCIATE PROFESSOR/LECTURER IN MANAGEMENT

Salary scales: Professor/Chair £S5,460 pa: Associate Professor £S4,030-£S4,550 pa: Lecturer £S1,800-£S3,500 pa (£S1 = £1.25 sterling). The Ford Foundation may supplement salaries of two of the non-endowed posts. If no other form of supplementation, the British Government may supplement salaries in range £3,894-£4,542 pa (sterling) for married appointees or £1,830-£2,310 (sterling) for single appointees (reviewed annually and normally free of all tax) and provide children's education allowances and holiday visit passages. Family passages: free housing: annual overseas leave. Detailed applications (2 copies) with curriculum vitae and naming 3 referees should be sent by airmail to the Vice-Chancellor, University of Gezira, PO Box 2667, Khartoum, Sudan by 10 May 1979. Applicants resident in the UK should also send one copy to Inter-University Council, 90/91 Tottenham Court Road, London W1P 0DT. Further details may be obtained from either address.

Eurocurrency Portfolio Manager

This is a new management opportunity in Hambros' International Department.

The duties involve the preparation of portfolio management strategies which take account of the full range of Euro-securities; handling clients' day to day business within the discretionary limits; and preparing regular portfolio reviews.

This is a senior position and demands a career-minded man or woman who can demonstrate solid experience of administering client portfolios on a discretionary basis, proven investment skill, and a thorough knowledge of all aspects of Eurocurrency dealing and settlement.

Remuneration is negotiable. Prospects, in one of the UK's leading merchant banks, are very good. Benefits include B.U.P.A., a non-contributory pension scheme and subsidised mortgage.

Please write in strict confidence, enclosing a curriculum vitae and stating your salary objectives, to *Mark Wolfson, Personnel Director, Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA.*

Hambros Bank

Gulf

ECONOMIC ANALYST

Gulf Oil Company has a vacancy for an Economic Analyst to join the economic evaluation group within its Exploration and Production Department. The main feature of this group's activity is directed towards assisting Management in the decision-making process by developing the necessary economics, especially with respect to investment situations in the North Sea.

The person we are seeking should have some understanding of the oil industry. It is envisaged that he/she will use sophisticated computer models to assist with developing these economics. Applicants with previous experience of using computers and working *with computer analysts will be at an advantage, since the development of further models* will be required in line with a changing commercial and fiscal climate. Candidates will probably have a degree or equivalent business qualification.

Gulf as a major international Oil Company offers excellent conditions of employment and first class opportunities for career development.

If you would like to be considered for this appointment, please write giving brief details of age, education, job history and present salary to:—

**Clare Hill,
Advisor-Personnel,
Gulf Oil Company-Eastern Hemisphere,
Gulf House,
2 Portman Street,
London, W1H 0AN.**

Applications will be handled promptly and in complete confidence.

Management Consultancy

ECONOMISTS MARKETING SPECIALISTS

We are one of the largest International consultancy organisations and we require further economists and marketing specialists at our London office.

The economists will be concerned primarily with work related to planning studies and to project economics. Candidates should have a good degree in economics or statistics and several years' experience relevant to such work.

Marketing specialists will be involved in a wide variety of work relating to marketing management, market analysis and market research. Candidates should be graduates and must have several years' line management experience in marketing, preferably in both industrial and consumer goods or services.

A substantial proportion of work, for both types of post, is likely to be overseas and candidates must be prepared to work on overseas assignments which may be of several months' duration. Age limits 28 to 35. Selected candidates should be available for interview in London.

These posts provide:

- ☐ competitive salaries,
- ☐ generous supplementary terms on overseas work,
- ☐ opportunities for working on multi-discipline assignments with specialists in finance, data processing, engineering, management sciences,
- ☐ excellent prospects for career development through the broadening of existing skills and experience.

Please write, in confidence, to Dr. M. H. Hoyle,

Peat, Marwick, Mitchell and Co.,
Management Consultants,
5th Floor, 1 Puddle Dock,
Blackfriars, London EC4V 3PD.

Accountant/ Company Secretary

c.£10,000 Mayfair

Our client is a fast growing public company in the commercial property business with its head office in new premises in the heart of bustling Mayfair, London.

The company requires an enthusiastic qualified accountant aged around 30 who would enjoy a high level of involvement in the day to day management and development of the business. You will be directly responsible to the managing director for all accounting and secretarial duties, with active participation in the preparation of cash flow projections, financial appraisals and Stock Exchange documents. Some commercial experience is required. Career prospects are excellent for someone whose technical abilities and commercial acumen can meet the expanding needs of the company.

Candidates should apply with brief details quoting Ref. No. AC235/FT to:

**W.S. Gilliland,
Thornton Baker Personnel Services Limited,
Fairfax House, Fulwood Place, London WC1V 6DW.**

A member of the Management Consultants Association

Personnel and Industrial Relations Consultants

C&L

Management Consultancy

Executive Selection

Coopers & Lybrand Associates Limited is one of the larger firms of international management consultants with a wide range of clients in the U.K. and overseas. The Executive Selection Division, based in London, deals with a variety of senior appointments, many at board level.

The nature of the work demands a high level of personal involvement with clients and accordingly consultants in this field are expected to act largely on *their own initiative. Where specialist technical back-up is needed, selection* consultants can call on colleagues in the appropriate field.

We need now to recruit a further consultant aged up to 50 with a degree or professional qualification. Essential requirements are experience in the selection of top management and at least three years in a senior management position or a similar period in consultancy.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to E. J. Robins, Executive Selection Division, ref. RF 60/25, at the address below. Please include a daytime telephone number at which you may be contacted.

Coopers & Lybrand Associates Limited,
Management Consultants,
Shelley House, Noble Street, London, EC2V 7DQ.

Reed Executive

The Country's most successful Recruitment Service

Financial Management

West London **c. £8,500**

The company is a recently established U.K. subsidiary of a U.S. fashion and casual wear corporation whose world wide turnover has grown dramatically in a few years: It is now poised for a major thrust into the British market. Initially you will assist the young Finance Director by taking charge of the accounts department and preparing regular management information but will quickly assume most of the Director's present duties, with the possibility of acceding him. A qualified ACA/ACCA in your twenties with sound accounting experience and a first class track record you should be looking for a company where you can realise your full potential.

Telephone: 01-836 1707 (24 hr. service) quoting Ref: 0917/FT. Reed Executive Selection Limited, 55-56 St. Martin's Lane, London WC2N 4EA.

The above vacancy is open to both male and female candidates.

London Birmingham Manchester Leeds

WOOD GUNDY

ACCOUNT EXECUTIVE

Wood Gundy Limited require a young person for its institutional sales department. A levels or a degree with some sales experience preferred but a knowledge of North American securities is not essential.

Salary negotiable.

Please write including c.v. for an appointment to:

Karen Stables
Wood Gundy Limited
30 Finsbury Square
London EC2A 1SB

SENIOR DEALING POSITION LONDON/NEW YORK

A leading U.S. Bank is seeking to employ a Foreign Exchange and Money Market dealer to work initially in their London branch in preparation for managing a major trading room at their New York office within six months.

Applicants with a high aspiration level should have a minimum of five years of significant dealing experience, some past involvement with the supervision and motivation of staff and experience with corporate customer contacts at senior level.

Competitive salary and fringe benefits will be commensurate with experience and qualifications and reflect the importance of this key position.

Applications will be treated in complete confidence and should be addressed to Mr. L. W. Williamson, Messrs. Turnour Guy & Partners, Recruitment Consultants, BCM TGP, London WC1V 6XX

Investment Managers

The expansion of funds under management necessitates the recruitment of two investment managers. Candidates should have several years' experience of UK fund management.

The appointments carry a considerable degree of responsibility and discretion as well as competitive remuneration.

Flemings are widely represented overseas and good opportunities exist for advancement, both in the UK and abroad.

Applicants, of either sex, should write enclosing curriculum vitae to D.W.J. Garrett. Robert Fleming Investment Management Limited, 8 Crosby Square. London EC3. Tel: 01-638 5858.

ROBERT FLEMING

DEALER c. £7,500

Spots-Foreign Exchange, E.C.3.
Major International Bank.
01-429 0540
PREMIER PERSONNEL AGY.

Instalment Credit COLLECTIONS CLERK

required by Instalment Credit Division of a small private Bank in the EC4 area. Legal or Finance House experience essential. Competitive salary. Free BUPA cover; non-contributory Pension and Life cover; Permanent Health Insurance; 75p LVs and usual holidays.

Box L185, WALTER JUDD LTD.
(Incorporated Practitioners in Advertising)
1a Bow lane, London EC4M 9EJ

Britain's largest janitorial supply company requires a

Managing Director

To continue the rapid expansion of the group. This is a demanding appointment requiring a combination of modern management techniques and entrepreneurial ability. Location—Birmingham. Age—preferably 35-40. Expected earnings—£9,000+ and additional benefits.

Abbreviated C.V. to: Antony S. Lane,
Darenas (UK) Limited
Coleshill Industrial Estate, Birmingham B46 1JP.

Open to both men and women

CORPORATE PLANNING AND DEVELOPMENT

A major British organisation with extensive and expanding overseas interests is seeking a young person in his/her mid/late 20s to fill a key *position in London* in their project assessment and corporate planning team. The position arises as the result of internal promotion.

The requirement is for a Chartered Accountant who will also be a graduate, preferably in business administration or economics, with the character and ability to work largely on his/her own initiative and with a considerable amount of autonomy. Knowledge of investment appraisal and techniques, particularly DCF, is essential and experience in the *corporate planning field would be an advantage.*

A competitive salary, bonus, car and other benefits commensurate with age and experience will be *offered.*

Write in confidence to:
F. H. Scobie
F. H. Scobie & Associates Management Consultants
28-29 St. James's Square, London, S.W.1.

MANAGING DIRECTOR

Prestigious New York based international consulting firm requires Managing Director for U.K. London subsidiary. Fields: International Compensation, Industrial and Personnel Relations, Management Training and Development.

Company is not engaged in executive search. Client base of American and British firms is well established. Team of three support specialists are already in place.

Qualification: Age 35-45. U.K. National. Combined academic-business and consulting experience. Ability to manage staff, energise new business development and personal production in at least one functional area.

Compensation: Plus-minus £20,000 per annum.

Reply with detailed resume in confidence to:
G. Laroche, Recruitment Manager,
120 Addison Gardens, London, W.14.

Executive required by Tea Merchants

at Sir John Lyon House, London, EC4.

Aged between 30-45 years, preferably with at least 5 years' *experience of the Tea Trade in the UK or overseas but other* commodity trading might be suitable. Salary and other terms negotiable

Apply to Box A6729, Financial Times, 10 Cannon St., EC4P 4BY, with curriculum vitae

TEA BROKERS

VACANCY FOR A MARKET PERSON

Applicants should be not more than 30 years of age with at least *5 years' experience of the UK trade to include* tasting and selling tea. Written application in confidence to:

Office Manager, Box A6725
Financial Times, 10 Cannon Street, EC4P 4BY

STOCKBROKER MEMBER ATTACHES

We are a successful London firm of stockbrokers with quality research. We know that our research would be a valuable asset to any resourceful member attache. We think we can *provide better facilities than you are already obtaining.*

WE ARE INTERESTED IN YOU

Contact us in confidence:
Box A.6730, Financial Times, 10 Cannon Street, EC4P 4BY.

SECRETARIAL APPOINTMENTS

THIRD MEMBER OF TEAM

International business magazine in Westminster requires third *member of team. 50% secretarial — to Managing Editor — 50%* running subscriptions and helping promote magazine. IBM Golfball. *Hours: 9.30-5.30 flexible. Salary in region of £4,000 p.a., 4 weeks'* holiday, LVs, BUPA, pension plan. *Please ring 01-222 8033, Ext. 240, or write:*

BENEFITS INTERNATIONAL,
30 Queen Anne's Gate, London SW1H 9AW.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

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The Company, established in 1956, operating in four of the most important Federation States, owns:

(1) Offices workshops and warehouses on own land (10,000 sq. m. and 18,200 sq. m.)

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(4) Private outstanding works for Naira 9,330,000.00

(5) Government outstanding works for Naira 15,261,000.00

Sales for the financial year 1977-1978 has been of Naira 11,570,000.00 (official exchange: Naira 1.00=US$1.54).

Please write to:

Cassetta 16/L, SPI—10100 Torino (Italy)

COMPANY TAXABLE PROFITS IN EXCESS OF £100,000?

Your own leasing subsidiary will enable you to conserve your profits and build up a stronger capital base. For details please reply to Box G.3646, Financial Times, 10, Cannon Street EC4P 4BY.

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LOMBARD

Now for the real Budget

BY PETER RIDDELL

AFTER THE budget-that-never-was there is the prospect of a real Budget in two months' time. It may, of course, be Mr. Healey's 15th (or is it 16th) or even Mr. Shore's first, but if the opinion polls and the bookies are anyway near right it will be a Tory Chancellor's first main Budget since 1973.

Conservative leaders are determined at least to signpost a change of direction as soon as possible. A Budget can be produced almost as soon as a new Chancellor has read himself in. But the choice effectively lies between either May 22 or June 12, with the interval being taken up by the European elections. The case for an earlier date is that it will provide both an early indication of the Tories' intentions and *allow more time for the detailed* preparation and consideration of a Finance Bill.

Constraints

Any new Government will start off with several major constraints. Thus the indexation of income tax allowances, but not of specific indirect taxes, pushes public sector borrowing up to nearly £9bn even on last November's Treasury estimates. It is probably now necessary to *add on at least a further £500m* to £1bn to take account of the current pay round. But Sir Geoffrey Howe has said that the *present government's £8.5bn* ceiling is too high, so a gap of at least £1bn to £1.5bn may be created from the start.

Moreover, there is the previously unappreciated snag that while any income tax changes in the main Budget will be backdated to April any indirect tax changes can by definition only come into effect when announced, thus losing at least one-sixth of the possible revenue in 1979-80.

Public spending decisions can be taken and announced fairly quickly but the main impact of cuts on say, the housing, industry and employment pro*grammes will not be felt until* 1980-81 because of forward commitments.

Yet the Conservatives want to *start cutting income tax from* the start, even if some of the more complicated changes in stock relief and capital gains tax may have to wait. So a first Budget would probably include simple proposals such as a cut in the higher rates—with an eventual aim of lowering the top marginal rate from 83 to perhaps 60 per cent—and a reduction in the impact of, though probably not the abolition of, the investment income surcharge. These measures would not cost much in lost revenue in 1979-80, but a cut in the present basic rate of 33 per cent is expensive—each point costs £475m.

These tax cuts are likely to be paid for by increases in indirect taxes, probably a single rate VAT, and possibly by some once-and-for-all adjustments such as the sale of assets or switches in the method of financing certain transactions. These are admittedly cosmetic changes but the hope is that they will be seen as merely interim measures in 1979-80 until the real spending cuts start to bite.

Similarly, in these special circumstances the first step in reducing public sector borrowing below the present Labour Government's ceiling may only be modest. The hope here again is that the markets will accept the absence of a substantial immediate cut in view of specific commitments to a phased medium-term programme of reducing both borrowing and the rate of growth of the money supply.

The risk is that market expectations will be built up during the election to a point where there is the possibility of disappointment. There are plenty of obvious pitfalls—particularly over public spending. This applies both in the short-term, when the hidden cost of public *sector deals is added up and* cash limits are reassessed, and in the long-term, when decisions on cutting expenditure in total *but allocating more for defence* and law and order have to be reconciled.

Pressing

Ironically, for all the Budget preparations, the most pressing decision facing a new Chancellor of whichever party will be nothing to do with taxes or *spending but with the exchange* rate. After the $1bn underlying inflow into the reserves in March the upward pressures *are starting to cause discomfort* in Whitehall. Accelerated repayment of overseas debt is no real answer—welcome though it is. So *it is a fair bet that within a* month or two of the election, whoever wins, there will be some relaxation of outward exchange controls.

Economics, morals, equity and the law

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

THE RELUCTANCE of English judges to accept a divide between law and social needs and values is the true glory of English justice which not even the most tortuous court rituals can spoil. If the law turns a blind eye to economic realities it will make an ass of itself. And blind obedience to law, defying the moral code, leads to Nuremberg where Nazi war-lords reached their end. For these reasons, the view that comment on the economic and moral aspects of a case spoils a business law report—expressed in a reader's letter published in the Financial Times last Monday—seems misconceived.

The development, which *began when (in deference to* reason and fairness) common law was tempered by equity and when the rules which were *observed by merchants* were integrated into the law of the land, continues. The notion that the need for wife and children *to retain their family home has* supremacy over the property rights of the husband was first expressed in a judgment of Lord *Denning's, only later to become* part of the Matrimonial Property Act. The latest proposal of the Law Society, that divorce matters should not be the subject of adversary proceedings, but rather be settled in a round-the-table manner, is further indication that in family matters the voice of heart and reason is more important than legal skill.

A legalistic approach has no great chance of success in any branch of business law, but nowhere is that so evident as in its newest branch, that dealing with monopolies and restrictive practices. The "rule of reason" plays an important role in the evolution of the U.S. antitrust law from a few basic prohibitions of business conspiracies. The EEC law of competition follows the same method. The German competition law—a bastion of legalistic thinking—has been recently moving towards a more robust appreciation of economic effects. In the UK, the Government Green Paper on restrictive practices policy still professes faith in prohibiting only specific behaviour and not *all* behaviour achieving certain economic effects. But the greater flexibility which it recommends, and the power to approve agreements and practices on the basis of judicially developed criteria which it says the Fair Trading Office should *be given, would necessarily lead* British antitrust practice into giving greater weight to the economic effects of behaviour rather than to *specific forms of* behaviour.

Applying the yardstick of economic effect one can see that the difference between commodity "futures" and commodity "forward physical contracts" is not a very great one. Though the method of settlement is different, the element of speculation is often as important in "forward physical contracts" as it is in "futures." Indeed, when adjudicating on contracts supposed to be made "in string"—by a chain of dealers—the courts are constantly facing the problem that the existence of this "string" is sometimes purely illusory and always difficult to prove. If dealers expect the market to go up they will buy more than they sell and if they expect it to go down they will sell more than they buy. Whether their sales are covered or not, they may or may not have the intention to cover any particular sale with a particular purchase.

It was against this background that Mr. Justice Robert Goff concluded in a case concerning Continental Grain Export Corporation* that "where the seller is in string, there will in all probability be no identified 'contract goods' in respect of which he can prove any particular fact." Indeed, "there may be no established string at all." Thus understanding of the economics of the matter sweeps aside a purely logical construction *of* the contractual ties.

Moral judgment, disguised as "reasonableness", comes into the picture too. If a dealer sold 2,000 tons of June 1973 goods, bought only 1,000 tons and because of an export embargo received only 500 tons it would be "unreasonable," said the judge, if he used the 500 tons to fulfil fresh contracts made at the new high price which was the consequence of the embargo. The question whether the available goods should be distributed by the dealer proportionately among existing contracts is as yet undecided. It does not seem customary in the trade to do so, but there is little doubt that if and when the courts should be asked to decide this matter, they could hardly do so without reference to the moral category of "fairness."

* * *

Respect for the realities of business and sheer practicability also overrules logical construction when it comes to procedure. In the arbitration between *EDM J. M. Mertens and Veedvoeder Import Export* (unreported) the sellers claimed that the buyers' case was time-barred on the grounds that they did not appoint their arbitrator within the time limits set out in GAFTA (Grain and Feed Trade Association) Form *125*. But Mr. Justice Lloyd held that it was impractical to require all the parties in a "string"—possibly as many as 40—to appoint their own arbitrator. It was sufficient if they passed on notice of an appointment up or down the "string."

There is one area in which both reason and fairness remained defeated. There are enormous delays in business disputes which are subject to arbitration from which there is appeal to courts. In the *Mertens v. Veedvoeder* case the hearing before the GAFTA Board of Appeal took place in May 1976. On January 26 1979, Mr. Justice Lloyd sent the case back to the Board but the sellers said that they would appeal against his *decision*. In a similar case of appeal from a decision given by Mr. Justice Parker in March 1977, it took nearly two years *before a hearing* was fixed in a Court of Appeal. A case can easily be shuffled between the Board and the Courts for as much as *six years and this* makes a mockery of arbitration which should be speedy and non-legalistic.

Legal costs also mount up and are often quite disproportionate to the money in dispute. Three to four days in the High Court can easily cost £10,000 and when cases where the awards are less than £10,000 are being appealed on an interlocutory procedural issue to the Court of Appeal, there seems to be something wrong. Cases arising from the Mississippi floods of 1973, which triggered off many "force majeure," "prohibition" or simply "gain-time" actions, are now spilling over from the Commercial Court (Queen's Bench Division of the High Court in London) to the Court of Appeal.

*These delays, costs, and flood*ing of the courts, highlight the shortcoming of the Arbitration Act passed by Parliament yesterday. *It enables parties to con*tract out of the right to appeal from arbitrators to courts in the case of international disputes, but not *if* the arbitration concerns commodity, marine or insurance contracts. Instead it has been decided that there should be a transitional period before this benefit can be extended also to these typical London arbitrations. One can only hope that the transitional period will be short.

**Re Arbitration between Continental Grain Export and STM Grain, F.T. March 29, 1979.*

Punters' confidence in Tromos grows for 2,000 Guineas

RACING

BY DOMINIC WIGAN

ANTE-POST betting on the two Newmarket classics and the Tote Free Handicap is at last hotting up.

Tromos, 11-8 a week or two back, has hardened with most firms to 11-10 for the 2,000 Guineas, and confidence in him seems to be growing. The *Bruce Hobbs-trained* colt who went into winter favouritism at 5-2 for the first colts' classic is particularly well forward and those who have seen him work recently are mostly convinced that he will give Hobbs his first English classic success.

Of the rest in the 2,000 Guineas betting, R. B. Chesne and Junius seem to be generating most interest. Playboy reports good interest in the intended Cashel raider, Junius; while the Tote has laid R. B. Chesne in the past two or three days.

Borzoi, a stable companion to R. B. Chesne and rated by Henry Cecil the most promising of his three-year-old colts, heads the Tote Free Handicap betting at 9-2. However, he is only marginally preferred to Beckhampton's Lyric Dance, the subject of a £6,000-to-£1,000 bet and now a 5-1 chance.

Incidentally, the Tote reports Lyric Dance its worst loser for the Free Handicap, 1,000 Guineas and Oaks.

This afternoon at Taunton, backers might do best to rely on Keynsham and Harann in the first two divisions of the *Pitminster four-year-olds* hurdle.

I particularly like the chance of Keynsham. The Doug Marks-trained gelding put up a more than useful performance in running Prayukta to 1½ lengths in the opening division of Kempton's Daffodil Novices Hurdle on March 21. Running on best of all at the finish, Keynsham would probably have got up to *overhaul the 11-8-on favourite* had the race been 50 yards further. The pair had the finish to themselves with Heroic 15 lengths back in third place.

Harann has found one or two too good for him in each of his five outings but is unlikely to get an easier opportunity than in the second division of the Pitminster, from which Shell Burst and Kintbury have been withdrawn.

There is a strong entry of 71, including Night Nurse, Prominent King, Anna's Prince and Selby from Peter Easterby's stable for the Pearce Duff Novices Chase on Wednesday.

TAUNTON

2.00—Keynsham***
2.30—Go Brookhire
3.00—Catsgore
3.30—Misty Chime
4.00—The Opposition
4.30—Harann**
5.00—Laaken*
5.30—Militaire

TV/Radio

† *Indicates programme in black and white.*

BBC 1

6.40-7.55 am Open University (Ultra high frequency only). 12.45 pm News. 1.00 Pebble Mill. 1.45 Mr. Benn. 3.53 Regional News for England (except London). 3.55 Play School (as BBC 2 11.00 am). 4.20 Boss Cat. 4.45 Screen Test. 5.05 John Craven's Newsround. 5.10 Blue Peter.

5.40 News.
3.55 Nationwide (London and South-East *only*).
6.20 Nationwide.
6.55 Tomorrow's World.
7.20 Top of the Pops.
7.55 Blankety Blank.
8.30 Potter.
9.00 News.
9.25 The Good Old Days.
10.15 Walk to the Moon (Omnibus film).
10.55 Tonight.
11.35 Weather/Regional News.

All Regions as BBC 1 except at the following times:—

Scotland—5.55-6.20 pm Reporting Scotland. 11.05 Thursday Night. 11.40 News and Weather for Scotland.

Wales—5.55-6.20 pm Wales Today. 6.55-7.20 Heddiw. 11.45 *News and Weather for Wales.*

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 8.30-9.00 *Spotlight.* 11.05 *Potter.* 11.35 News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South-West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00 Play School.
4.50 Open University.
6.55 When the Boat Comes In.
7.45 Mid-evening News.
7.55 Newsweek: Nato—The Way Ahead.
8.30 Malice Aforethought.
9.25 Midweek Cinema: "Carmen Jones," starring Harry Belafonte and Dorothy Dandridge.
11.05 A Week Out in Old Town.
11.45 Late News.
12.00 Closedown reading.

LONDON

9.30 am Noddy. 9.40 Barney Google and Snuffy Smith cartoons. 9.55 An Asian Notebook. 10.20 "Follow The North Star." 11.10 Oscar Peterson Presents. 11.35 *Showjumping with Harvey Smith.* 12.00 Gideon. 12.10 pm Rainbow. 12.30 The Cedar Tree. 1.00 News. 1.20 Thames News. 1.30 *Crown Court.* 2.00 Money-Go-Round. 2.25 Danger UXB. 3.20 Sounds of Britain. 3.50 Oh No, It's Selwyn Froggitt. 4.20 Little House on the Prairie. 5.15 Mr. and Mrs.
5.45 News.
6.00 Thames at 6.
6.25 Help!
6.35 Crossroads.
7.00 The Bionic Woman.
8.00 Robin's Nest.
8.30 TV Eye.
9.00 Ted on the Spot.
10.00 News.
10.30 Thames Report.
11.30 The Thursday Film.
12.25 am Close: Peter Penry-Jones reads the Easter story with a painting by Tintoretto.

All IBA Regions as London except at the following times:

ANGLIA

9.35 am Cartoon Time. 9.40 The Burlin's Grand Masters Darts Championships. 10.10 *England Their England.* 10.35 Aznavour. 11.25 Halas and Batchelor Cartoon. 1.25 pm Anglia News. 3.50 Give Us a Clue. 4.20 The Next Week Show. 4.45 The Beachcombers. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.20 Arena. 10.30 Thursday Movie: "The Seven Year Itch," starring Marilyn Monroe. 12.45 am The Living Word.

ATV

9.25 am Survival. 9.50 Morgan's Wall. 10.45 The Entertainers (Vince Hill). 11.10 The Mackenzie Affair. 1.20 pm ATV Newsdesk. 3.50 The Electric Theatre Show. 4.20 Jonny Quest. 4.50 Island of Adventure. 6.00 ATV Today. 7.00 Emmerdale Farm. 7.30 England Their England. 10.30 Format V. 11.00 Cinema Showcase: "Yellow Dog."

BORDER

9.30 am Betty Boop. 9.35 Friends of Man. 10.00 The Lost Islands. 10.25 The Woody Woodpecker Show. 10.45 The Life and Times of Grizzly Adams. †1.20 pm Border News. 3.50 Give Us a Clue. 5.15 Call It Macaroni. 6.00 Lookaround Thursday. 7.00 Emmerdale Farm. 7.30 Oh No, It's Selwyn Froggitt. 10.30 *Streets of San Francisco.* 11.25 Power Without Glory. 12.20 am Border News Summary.

CHANNEL

1.18 pm Channel Lunchtime News and What's On Where. 3.50 Give Us a Clue. 5.15 Gambit. 6.00 Channel News. 6.10 The Beatles. 7.00 Chips. 9.00 Hawaii Five-O. 10.28 Channel Late News. 10.32 Talkback Local Radio. 11.35 Untamed World. 12.05 am News and Weather in French.

GRAMPIAN

9.45 am First Thing. 9.50 Tarzan. 10.45 *Space 1999.* 1.20 *pm Grampian* News Headlines. 5.15 Bailey's Bird. 6.00 Grampian Today. 7.00 Police Newsroom. 7.05 Six Million Dollar Man. 9.00 Streets of San Francisco. 10.30 They Happened to Me. 11.00 Reflections. 11.05 Farquhar Thomson Lecture. 11.35 Jazz Concert (Ronnie Scott's Quintet). 12.00 Grampian Late Night Headlines.

GRANADA

9.30 am Sesame Street. †10.30 Thursday Matinee: "The Little Ones." 1.20 pm Dodo. 3.50 Stars on Ice. 4.20 The Life and Times of Grizzly Adams. 5.10 The Undersea Adventures of Captain Nemo. 5.15 Crossroads. 6.00 Granada Reports. 6.30 Emmerdale Farm. 7.00 Fantasy Island. 10.30 What's On. †11.00 Late Night Thriller: "Grip of the Strangler," starring Boris *Karloff and Joan Kent.*

HTV

10.55 am "I'm All Right Jack," starring Peter Sellers. 1.20 pm Report West Headlines. 1.25 Report Wales Headlines. 3.50 Give Us a Clue. 4.20 Bailey's Bird. 4.50 Wyatt's Place. 5.15 Jobline Newsdesk. 5.20 Crossroads. 6.00 Report West. 6.15 Report Wales. 6.30 Sports Arena. 7.00 Fantasy Island. 10.35 Wedlock's West. 11.05 Sidestreet.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 pm Penawdau Newyddion Y Dydd. 4.50 Seren Wib. 5.15-5.20 Cartoontime. 6.00-6.15 Y Dydd. 10.35-11.05 Image '79.

HTV West—As HTV General Service except: 1.20-1.30 pm Report West Headlines. 6.15-7.00 Report West.

SCOTTISH

9.30 am The Living Land. 1.25 pm News and Road and Weather. 3.50 Give Us A Clue. 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Garnock Way. 7.00 The Best Disco in Town. 7.30 How's Your Father? 10.30 Two + Two. 11.00 Afloat. 11.30 Late Call. 11.35 Police Surgeon.

SOUTHERN

9.30 am Rovers. 9.55 Cash and Company. 10.45 Space 1999. 1.20 pm Southern News. 3.50 You're Only Young Twice. 4.20 Life and Times of Grizzly Adams. 5.15 Melotoons. 5.20 Crossroads. 6.00 Day by Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Survival. 10.30 Southern News Extra. 10.35 People's Choice. 11.35 Police Surgeon. 12.00 What the Papers Say.

TYNE TEES

9.25 am The Good Word followed by North East News Headlines. 9.30 George Hamilton IV. 9.55 Morning Movie: "Wuthering Heights," starring *Timothy Dalton and Anna Calder-Marshall.* 1.20 pm North East News and Lookaround. 4.20 Beachcombers. 4.45 The Little House on the Prairie. 6.00 Northern Life. 7.00 Emmerdale Farm. 7.30 Father, Dear Father. 10.30 Sporting Chance. 11.00 Richie Brockleman—Private Eye. 12.00 Epilogue.

ULSTER

10.00 am Thursday Morning Movie: "The Sheriff of Fractured Jaw," starring Kenneth More and Jayne Mansfield. 1.20 pm Lunchtime. 3.20 Sounds of Britain. 3.50 Give Us a Clue. 4.18 Ulster News Headlines. 4.20 Dynomutt the Dog Wonder. 4.50 Bailey's Bird. 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Good Evening Ulster. 6.50 Police Six. 7.00 Emmerdale Farm. 7.30 England, Their England. 10.30 Counterpoint. 11.00 Thursday Night. 11.10 Barnaby Jones. 12.00 Bedtime.

WESTWARD

9.30 am Friends of Man. 9.55 Conquest of the Sea. 10.45 Space 1999. *12.27 pm Gus Honeybun's Birthdays.* 1.20 Westward News Headlines. 3.50 Give Us a Clue. 5.15 Gambit. 6.00 Westward Diary. 7.00 Chips. 10.32 Westward Late News. 10.36 Westward Report. 11.05 Movie Premiere: "Man Hunter" (TV movie). 12.25 am Faith for Life. 12.30 West Country Weather and Shipping Forecast.

YORKSHIRE

9.30 am *The Adventure World of* Sir Edmund Hillary. 10.00 Issi Noho. 10.10 Tarzan. 10.55 Cartoon Time. 11.10 Moira's Scottish Song Book. 1.20 pm Calendar News. 3.50 Mr. and Mrs. 4.20 Rocket Robin Hood. 4.45 *Little House on the Prairie.* 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Emmerdale Farm. 7.30 Father, Dear Father. 10.30 Pro-Celebrity Darts. 11.00 Fantasy Island.

Radio Wavelengths

1 1053kHz/285m 1089kHz/275m	3 1215kHz/247m & 90-92.5vhf stereo	BBC Radio London: 1458kHz, 206m & 94.9vhf
2 693kHz/433m 909kHz/330m & 88-91vhf stereo	4 200kHz/1500m & 92.95vhf	Capital Radio: 1548kHz, 194m & 95.8vhf
		London Broadcasting: 1151kHz, 261m & 97.3vhf

RADIO 1

(S) Stereophonic broadcast
‡ Medium Wave

5.00 am As Radio 2. 6.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Tony Blackburn. 4.31 Kid Jensen. 7.00 Talkabout. 8.00 Andy Peebles. 9.50 Newsbeat. 10.00 John Peel (S). 12.00-5.00 am: As Radio 2.

RADIO 2

5.00 am News Summary. 5.02 Tony Brandon (S). 7.32 Ray Moore (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 10.03 Jimmy Young (S). 12.15 pm Waggoners' Walk. 12.30 Pete Murray's Open House (S). 2.30 David Hamilton (S). 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 John Dunn (S). 6.45 Sports Desk. 7.02 Country Club (S). 9.02 Folkweave (S). 9.55 Sports Desk. 10.02 The Ted Rogers Show. 10.30 Star Sound Extra. 11.02 Sports Desk. 11.04 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 am You and the Night and the Music with Sheila Tracy (S).

RADIO 3

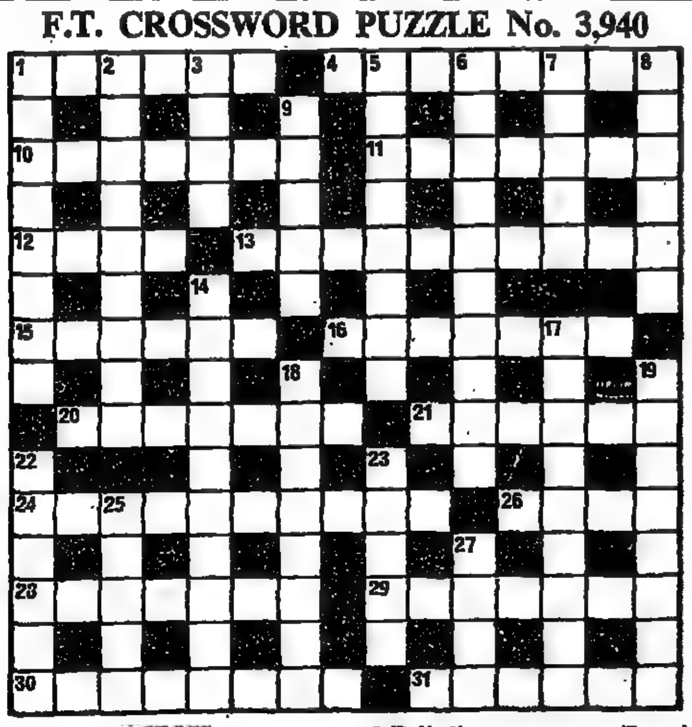
†6.55 am Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Falla (S). 10.00 Haydn Quartets (S). 10.40 Upottery Festival 1978, part 1 (S). 11.20 Words . . . (talk). 11.25 Upottery Festival, part 2 (S). 12.00 Scriabin (S). 1.00 pm News. 1.05 Manchester Midday Concert (S). 2.00 "Die Drei Pintos." Comic opera in three acts by Weber. Act 1 (S). 2.45 Three Pintos in Edinburgh (talk). 2.55 "Die Drei Pintos," Acts 2 and 3. 4.15 Mozart piano recital (S). 4.40 Rostrum 78 (S). 5.25 Homeward Bound (S). †5.45 News. †5.50 Homeward Bound. †6.15 At Home: Erich Kleiber conducts Corelli, Schubert, Strauss. 7.10 North German Radio Symphony Orchestra, part 1: Martin (S). 7.35 The Jewish Councils *in the Holocaust* (talk by Dr. John P. Fox). 7.55 North German RSO, part 2: Liszt (S). 8.10 Drama Now. 8.45 Boult in Rehearsal. 10.40 Baroque Organ Music (S). 10.50 Music in Our Time (S). 11.55-12.00 News.

VHF Only—6.00-7.00 and 5.45-7.10 pm Open University.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping forecast. 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News headlines. 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Mid-Week with Desmond Lynam. 10.00 News. 10.05 Checkpoint. 10.30 Daily Service. 10.45 Morning Story. 11.00 Warning—Flight Delays. 11.45 Listen with Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Many a Slip (S). 12.55 Weather; programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Returning Your Manuscript with Thanks. 3.35 Afternoon Theatre (S). 4.35 Story Time (S). 5.00 PM: News magazine. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.30 Brain of Britain 1979 (S). 7.00 News. 7.05 The Archers. 7.20 Time for Verse. 7.30 "The Dybbuk," play by S. Ansky (S). 9.00 More Kicks Than Ha'pence. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Any Answers? 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 The Unforgettables. 12.00 News.

F.T. CROSSWORD PUZZLE No. 3,940



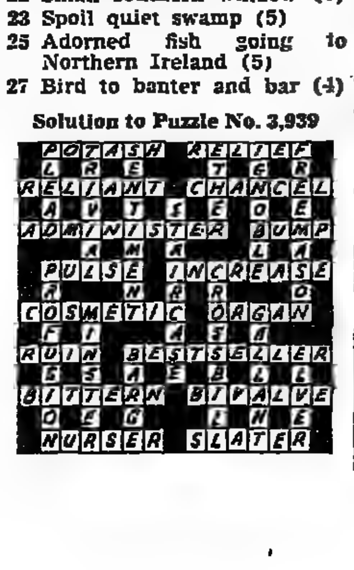
ACROSS

1 *Jar right for* cook's instrument (6)
4 Consent to pass on inside of ramp (8)
10 *Space in the car for* the French ostler (3, 4)
11 Dismount from French coach (7)
12 *Tumbled—on hill?* (4)
13 Leader of travelling company has to gallop round a vehicle (10)
15 *Mortified by the French* reaper (6)
16 Describe wine and fish (7)
20 Lumberman from the south is a *big hitter* (7)
21 Unusual cut on a bird (6)
24 Stevedore who has been slimming? (10)
26 *Land in Paris Le Bourget* (4)
28 Anthropoid in small brook in Goa (7)
29 Dose of a mixture that's *fishy* (3-4)
30 Creature going round pub is wasting away (8)
31 One who forks out about a *pound for actor* (6)

DOWN

1 Precious metal on type of plate seen in bowls (8)
2 Seraphic candied stalks licked initially (9)
3 Black oriental is good in Paris (4)
5 Home heater or engine cooler (8)
6 Belittling some French *pulling* (10)
7 Make proud Oriental tardy (5)
8 Holding net up over river (6)
9 Stain on warrant officer auditor (5)
14 Instructions to pilot using *modified light flap on top of* nacelle (6, 4)
17 Additional accomplice to a crime (9)
18 *Type of fruit mother gets in* is an apple (8)
19 Home to offer one contemplating action (8)
22 *Small southern window* (6)
23 Spoil quiet swamp (5)
25 Adorned fish going to Northern Ireland (5)
27 Bird to banter and bar (4)

Solution to Puzzle No. 3,939



ENTERTAINMENT GUIDE

OPERA & BALLET

THEATRES

CINEMAS

ART GALLERIES

Theatricals in Sarajevo

by MICHAEL COVENEY

Yugoslavia has two major theatre festivals that I know of, the annual international BITEF in Belgrade (where so many major theatre artists of the last 10 years have first made an international impact) and the ambitious shindig by the sea in heavenly Dubrovnik. Until a visit I made there for a few days at the end of last month, all that Sarajevo signified to me, and, I imagine, to you, was the assassination by a student in 1914 of the Archduke Frederick. But, for the past 20 years, this magical town, surrounded by green and snow-capped mountains, its old quarter replete with a 15th century Turkish legacy of mosques and minarets and organised architecturally on a beautifully mapped plan of cobbled streets and courtyards, has hosted a festival of Small and Experimental Theatre. It is not, however, aimed strictly at avant-garde dwarfs.

The festival selection committee, under the artistic directorate of Luca Pavlocić, has no theoretical axe to grind beyond providing a concentrated platform for the Yugoslavian theatre outside of the established houses. To this is added a fair sprinkling of international guests not, this year, in the top league, but of some eclectic interest. There was Farid Chopel, the French Algerian clown from Paris, a performer I think of as Robert Wilson with laughs; Brooke Myers, an offbeat dancer from New York with a solo show about Zelda Fitzgerald; a group from Kenya; and a *Chinese delegation* who, although they did not perform, were good peripheral value with their buttoned up collars and lips, their inscrutable smiles and vigorous *handshakes*.

None of the native work on view seemed to me of outstanding merit, although the Dramatic Theatre of Skoplje, in their two shows, presented an interesting contrast in style. *The Liberation of Skoplje* by Dusan Jovanovic was a memory play about the Nazi occupation in Macedonia, in which the recollections of a small boy were counterpointed with histrionically enacted scenes of treachery, domestic hardship, patriotic fervour and crashing sound effects. It all obviously meant a great deal to the performers, who took their applause and carnations with emotional dignity.

A younger section of the company, on the following day, enacted two of the *Tales From Shakespeare* by Charles and Mary Lamb with irreverent panache. A village community gathers to perform *Macbeth* in the sort of spirit immortalised in the "Shakespeare sketch" from *Beyond the Fringe*. In the final scene, Macduff "lays on" so energetically, that the chief villager is compelled to restrain him, and the actor crestfallen, retires. Machuff.

The cartoon style worked even better for *The Dream*. In the pellmell activity of the lovers, the revenge of an Oberon on stilts, there were echoes of Brook's *Dream*. The "Pyramus and Thisbe" interlude was moved to the centre of the action as the only mechanicals' scene. Truncated and simple as this may sound, there was nonetheless a delightful and spirited distillation of the comedy's essence that brought the festival to life and, more importantly, demonstrated that Shakespeare is not synonymous with sombre dullness.

An hotel dining room was the setting for the Yugoslav premiere of Brecht's *A Respectable Wedding* (recently given its British premiere at the Open Space). The grotesque but fragile farce depends for its effect on the disruption of a wedding feast by an accumulation of bad manners and a carefully plotted collapse of the furniture constructed by the hapless groom. The troupe from the Croatian town of Varazdin chose to play the thing as a sort of *angst*-ridden, extremely Slav *Walpurgisnacht*. By the end, there was even broken glass and blood all over the place!

Even worse was a production of *The Three Sisters* from the Hungarian community in Novi Sad, in which some incompetent actors were severely impeded by a pretentious imitation of Peter Stein's fabulous, cinematic *Summerfolk* production. This latest craze for doing the Russian classics in a heightened, atmospheric realist manner proves disastrous when the guiding hand of the director wavers. The artists flopped around on a difficult foam rubber surface, failing at all points to find an emotional truth or structure.

The best individual performances I saw were by Yugoslavia's leading actor, Ljuba Tadic, in a version of *The Death of Socrates* adapted from Plato's *Phaedo*, and by two of George Paro's (the Dubrovnik director) actors in a comedy of menace in which a student ends up killing his murderous, insane civil law professor.

Elizabeth Hall

Moray Welsh

by ANDREW CLEMENTS

The cellist's recital repertoire is extensive enough, you might think, not to need to poach from the preserves of other instrumentalists. But Cesar Franck's A major Sonata, now established as one of the cornerstones of the 19th-century violin repertory, was quite likely originally intended for the cello. Franck fashioned into a violin work as a wedding present for Ysaye, and henceforth his advocacy effectively pre-empted the claims of cellists. But as *Moray Welsh* and Anthony Goldstone showed in their recital on Tuesday, there are gains as well as losses when the Sonata is taken over by a cellist. Power and resonance replace clarity and lyric grace, but equally the temptation to cloying sweetness is more easily resisted. On the evidence of this performance, only the first movement fails to take wing; the phrases sound awkward and ungrateful on the cello but perhaps a false start had cast a nervous spell over the players on this occasion.

Welsh and Goldstone are a well-matched duo. Welsh's tone is inclined to be wiry (one wonders how a cellist of more richness and less brilliance might have transformed the Franck, for instance, but the Elizabeth Hall is not kind to the instrument); the bottom octave of his instrument was indistinctly focused. Goldstone is a keenly intelligent player, bright and sharp-edged of touch. Both are by temperament reserved, tending to the understatement, anxious to delineate textures and point up structure. The other big work in their programme was Beethoven's Cello Sonata Op. 69; as emotionally fugitive in its way as the firmly "last-period" Sonatas Op. 102, yet it elicited perhaps the most straightforward playing of the evening. Only the slow introduction to the last movement lacked a genuine inwardness.

With these works Welsh and Goldstone arrayed a couple of fascinating miniatures impressively brought off. Janacek and Frank Bridge make a provocative, illuminating coupling. Janacek achieving individuality through asserting his nationalisism, Bridge rejecting any trace of nationalism in favour of a truly European style. Janacek's *Pohádka* is a full-blown tone poem writ small, a fairy tale of suddenly shifting perspectives and nuances, as utterly characteristic of its composer as anything he wrote for the piano. Bridge's *Elégie* and *Mélodie* of 1911 seem preliminary sketches for his Cello Sonata of the First War years, the first looking forward in its thematic transformations and harmonic language, the second casting nostalgic glances at Brahms.

Susan Tracy and John Woodvine — Leonard Burt

Royal Shakespeare Theatre

The Merry Wives of Windsor

by B. A. YOUNG

The Merry Wives is not the funniest of Shakespeare's comedies, and perhaps Trevor Nunn and John Caird have been right to deck it out with so much horseplay. Only two players are quite free from clowning in their performance—Tim Brierley as Fenton, who is the true gentleman brought in to show up the rustic humours of the Windsor country folk, and Bob Peck's quiet, pipe-smoking Page, a reluctant confederate in all the ill-natured jokes against the unhappy Falstaff. They maintain a strain of dignity among a collection of hobbledehoys.

Everyone, no matter how unimportant in the scheme of the play, is fitted out with his special funny characteristic, as if they all inhabited a circus ring rather than a stage. Simple (Timothy Spall), whose drooping stocking remains about his left ankle for three days, has such a costive voice that it only emerges from his throat at all with extreme reluctance. Falstaff's little page (Matthew Brace) lies down with his feet on a chair or a bed every time he comes into a room. All conversation is carried on at a threatening fortissimo.

Now there is no doubt that clowning like this can, and does, get a lot of laughs; but when everyone is trying to be as funny as Falstaff, it makes Falstaff melt into the landscape instead of standing out as the principal inspirer of laughter. John Woodvine is a good Falstaff as it happens, who has the comparatively rare ability to imbue the fat knight with a touch of dignity as well as the undignified qualities usually associated with him. It is effective to see the ladies curtsy to him when he first appears—provincials showing their respect for the Court. Falstaff's seductions are rightly based on the hope of profit from Ford's unbelievable trick, and no more: he never allows himself any touch of lechery.

But when the Fords (Ben Kingsley and Susan Tracy, known as Mr. and Mrs. this time rather than Master and Mistress) both explode into shrill hysteria at the drop of a hint, when David Threlfall as Slender is allowed to roll on the grass at the thought of "sweet Anne Page," when Caius is so French that he is sometimes hard to understand, one would have to hit new levels of buffoonery to stand out from them, and Mr. Woodvine is too good an actor for that.

As I have said, the production is often funny, and no doubt this circus style is what Queen Elizabeth saw in the hastily written and presented premiere in 1598. And it certainly is pretty to look at, with an adaptable tree-lined village setting by John Napier, and charming costumes of Elizabethan period. There seem to be few, if any, cuts in the text, which retains those easily - dispensable Germans. Trevor Nunn indulges his new-found love of music by resolving the final scene at Herne's Oak into a song-and-dance routine from which the three elopements of Anne are barely perceptible. He has also retained the troupe of children who so enlivened the last Stratford production of the play, though he doesn't use them half so attractively.

Festival Hall/Radio 3

Richter/Muti

by DOMINIC GILL

The second appearance in London on Tuesday of Sviatoslav Richter was as miraculous as the first had been three days before. Now it was not Schubert, but Mozart; and Richter was joined on the stage of the Festival Hall by the Philharmonia Orchestra under Riccardo Muti. *The joining* itself was a miracle: a fusion of composer, soloist and instruments as exhilarating for its freedom as for its powerful bonding, *alive with boundless* imagination and energy.

The concerto was one of the less-often played of the late Mozart piano concertos, the E flat K482—and heard rarely indeed in a performance of such commanding eloquence: every sudden twist and diversion of the opening movement a fresh surprise, new-minted, but grafted firmly, each branching-out, to the central tree. I swear that only Richter could *get away with such cadenzas* (by Britten) as he offered in the outer movements—the first especially, an amazing connascence of low-church Skryabin and high-church Brahms, but nonetheless irresistible, and delivered with dazzling authority.

The *andante unfolded with* marvellous clarity, a glimpse of childlike innocence and fancy woven into its elaborate and most un-innocent formal scheme: at once deeply absorbing and disturbing, a uniquely Mozartian frisson. In Richter's hands, attentively *underpinned by Muti*, the finale was grand and light as air, in one or two backward glances briefly touched by deeper colours, darker shades. Two *Mozart symphonies*, the C major K338 and the Jupiter, good, lively performances both, framed the evening.

Arts increase not enough

Government support for the Arts Council has edged slightly upwards since the total of £61,275,000 was announced in the House of Commons on February 14. In effect the Council will have £63,125,000 available for its 1,200 clients. But the larger sum still leaves it very depleted, and the unallocated reserve, for sudden emergencies in the arts, will be only £293,000 in 1979-80. So the additional losses currently being piled up by the National Theatre during the industrial dispute with stage hands will have to be made up by internal economies, or by securing more money from the Government: by itself the Arts Council will just not be able to help.

Some of the extra subsidy—in the current year the Arts Council had £51.8m to dispense—is committed to already announced special aid: to the rebuilding of Covent Garden; to the four large regional touring theatres; to encouraging the *National Theatre to buy its lease*—so the actual increase in revenue for clients is just under 20 per cent, about in line with the level of inflation in the arts. Already certain recipients — in Wales; in community arts; and in the smaller theatre companies, say they cannot manage on the Arts Council allocation.

The Arts Council is reluctant to announce at this time the actual sum given to individual clients but the main departmental breakdown is—national companies £16,650,000; drama £8,090,500; music and dance £5,935,000; regional arts associations £5,150,000; touring £4,915,000, art £2,995,000. Scotland gets £7,225,000 and Wales £4,325,000.

The Arts Council made it clear yesterday that it will not *bale out arts ventures started* under the Manpower Services Commission employment schemes when MSC money expires. The general view of *director general Roy Shaw* is that the extra money for the arts in 1979-80 is very welcome but that it does not enable the Arts Council to meet the needs *of all its clients*.

*

One major client prepared to announce its Arts Council aid for the coming year is the English National Opera. Lord Goodman, its chairman, said yesterday that the grant would be £3.8m, a welcome advance on last year's £2.9m. ENO has *also obtained a substantial rise* in funds from the Greater London Council.

Reviewing plans for the coming season, to open on *August 6* with two cycles of *The Ring*, Lord Harewood, ENO's managing director, gave details of five new productions—Verdi's *Aida*, Britten's *Turn of the Screw*, Handel's *Julius Caesar*, Lehar's *Merry Widow* and Beethoven's *Fidelio*.

A. T.

Record Review

Extra hands

by DAVID MURRAY

Schubert: Piano duets. Emil and *Elena Gilels*. DG 2531 079 (£4.75).

Schubert: Piano duets. Christoph Eschenbach and Justus Frantz. EMI SLS 5138 (£7.20).

Balakirev: 30 Russian Folk Songs for piano duet. Victoria Postnikova and Gennadi Rozhdestvensky. Melodiya C10 07565-6 (£3.50, available from Collet's International, 129/131 Charing Cross Road).

Balakirev: In Bohemia. *Glinka*: Kamarinskaya. Rimsky-Korsakov: Russian Easter Festival. Chaikovsky: Marche Slave. Brno State Philharmonic/Oskar Danon. Supraphon 1 10 2104 (£2.65).

Saint-Saëns: Carnaval des Animaux. Variations on a theme of Beethoven. Polonaise. Philippe Entremont and Gaby Casadesus *with instrumentalists*. CBS 76735 (£4.39).

Stravinsky: Music for 2 pianos and piano 4 hands. Paul Jacobs and Ursula Oppens. Nonesuch H-71347 (£2.99).

The piano duet was born in the time of Mozart, as soon as the keyboard became wide enough for two players to be kept respectably busy at once. It lived in salons and then in parlours until the First World War, when it died: it did not look well in concert, and the domestic market dried up. The keyboard duet is older, and has survived *into* the age of stereophony—it doesn't impose so tight a discipline, it offers greater dramatic possibilities, and each player has access not *only to the* whole keyboard but to his own pedal. (An unwritten tradition among duet-playing assigns the pedal to the bass part, to the continual frustration *of the treble partner.*) The riches of the duet repertoire have now become almost esoteric.

Schubert wrote more than any other major composer for four hands at one keyboard; in *those days such music sold* well, and besides it was useful for the "Schubertiad" musical evenings with friends. Eventually he produced masterpieces *in the genre. The great* F minor Fantasy, D.940, which shares the climate of *Winterreise*, appears both on the new record by the Gilels, father and daughter, and in the two-record album by Eschenbach and Frantz. The Russian pair make a richer, stronger sound, which does arguably better justice to the grand scale of the four-movements-in-one than the German pair's highly conscious introspection. On the other hand, the Gilels' robust account of the Grand Rondeau in A smoothes away much expressive *detail which is beautifully* rendered by the Germans. These are all thoughtful, distinctive performances, and there is not a straight choice to be made between them. The 40 minutes of the DG record is made up by a half-dozen early, tiny Ecossaises and the Andantino varié from the "Divertissement à la française"; the whole of the latter work — with its expansive Tempo di Marcia and Rondeau brillant — is included in the EMI set, along with the brightly coloured "Divertissement à la hongroise" and the fine A minor Allegro, D.947. For those who can't have too much Schubert, *Eschenbach and Frantz will* recommend themselves, but it has to be admitted that the specific gravity of the Divertissements is fairly low. There, at *least, the pianists often make* a cheerful, brilliant noise.

Quite another order of piano duets is represented by Balakirev's set of folk song arrangements. In the 1860's he had himself collected songs in the Caucasus and the Volga region, but this volume consists of transcriptions of another collector's hoard from Northern Russia. They are extraordinarily *charming, mostly brief, often* haunting, designed to tempt amateurs. Balakirev's own unorthodox harmonic style fits the modal songs very well, worlds away from (say) Edwardian arrangements of English folk song. Thirty little pieces in breathless succession would be too much, and here they are neatly separated by folk-fragments read *in* ripe Russian by Rozhdestvensky himself; even non-Russian-speakers like me may find this a perfectly happy solution.

The new Supraphon orchestral collection goes well with the Rozhdestvensky's disc, with four contrasted folk-based pieces from the Russian repertoire, all *vividly performed. Glinka's* seminal *Kamarinskaya* served all his successors as a model for constructing music around non-Western, non-symphonic material (Balakirev made a virtuoso piano transcription of it). The suave *In Bohemia* was drafted while Balakirev was there to conduct Glinka operas—it is an Overture on Czech tunes, not hitherto available here. In this *company the familiar* Rimsky and Chaikovsky pieces acquire new interest.

Saint-Saëns' *Carnival of the Animals* is not really an orchestral work, but a *jeu d'esprit* for two pianos with a handful of collaborating instruments. It invariably sounds wittier and more pointed in the original version, and Entremont and Gaby Casadesus — with distinguished colleagues — make a resounding success of it. The two-piano Polonaise of the same year spins notes to less purpose, but the *Variations on a Theme of Beethoven* — the Trio theme from the Minuet of the Sonata op. 31 no. 3 — is a more substantial and rewarding exercise.

All Stravinsky's duos and duets are played for Nonesuch by Paul Jacobs and Ursula Oppens. Their musicianship is as faultless as their grasp of the various idioms represented, from the joke duets (which began with Stravinsky sketching something for Diaghilev to play with him) to the magnificent two-piano Concerto and the Sonata of 1944. If their scrupulous account of the Concerto misses a little of its full *concert breadth and power, the* attractiveness of the whole collection compensates easily.

Maedée Dupres, Siobhan Davies and Michèle Smith in 'Behind the Piano' — Leonard Burt

Riverside Studios

Behind the Piano

by CLEMENT CRISP

Richard Alston, with his chosen band of dancers, is at Riverside until April 8. The *programme contains* two novelties, rather short, in which Alston continues a recent interest in music of the '20s—last autumn he showed us a *piece abstracted from the* Cole Porter score for *Within the Quota*. *Elegiac Blues*, receiving its first performance, is Constant Lambert's lament for *Florence Mills*, darling of *The Blackbirds*, which Alston casts as a solo for himself.

Without wishing to seem too perverse, I feel that Alston is not the best advocate for his own choreography here. The dance, with its tender nuances and rather feminine ending—hand to hair—looks tailor-made for Siobhan Davies, and since Miss Davies is appearing, irreplaceably fine, in the evening, my eagerness to see her in the dance is all the more understandable.

The second new work is *Behind the Piano, a setting of* Erik Satie's *Jack in the Box* score, retitled here because the score was lost during its composer's lifetime and only found after *his death behind his* piano. To its faux-naif jovialities, Alston makes agreeable, slightly bland dances for two men, outfitted *pour le tennis*, and three girls in long cream dresses. Nothing much happens, but it is a pleasant nothing much.

Far more considerable are the two big works in the programme: *Doublework* (which dates from last year) and the seven-year-old *Windhover*. *Doublework*, which I admire very much, continues to excite one's attention after several viewings. Siobhan Davies, Maedée Duprès, Michèle Smith, Julyen Hamilton, Ian Spink and Alston himself are the cast. The dances show them stretching, *curving, bending*, turning slowly, caught at that precarious moment when balance topples into a fall, supporting their partner's body on their backs, *indulging in a fascinating range* of activity that has the calculated beauty of juxtaposition to be found in the best non-representational painting.

I *enjoy* watching the movement as symbols of energy rather than of emotion, only to be suddenly gripped by the odd shifts of emphasis that take the observer into moments of extreme sensuality: Hamilton lowering Duprès gently to the floor, resting her head upon his foot, then slowly raising her head with his foot. It is a thrilling piece. Intriguing, too, is *Windhover*, excellently done by Siobhan Davies and Ian Spink.

PUBLIC NOTICES

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The Business Tariffs shall have effect from the dates of the first normal meter readings taken after 31st March 1979 or the dates on which those meter readings would ordinarily have been taken whereupon the corresponding existing tariffs (Tariffs Five-Forty) shall cease to have effect.

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Copies of the new tariffs will shortly be avilable in all Seeboard shops and offices.

D. A. GREEN,
Secretary.

Queen's Gardens,
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March 1979

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Zia's error

THERE ARE many grounds for echoing the international chorus of regret and disapproval which has greeted the hanging of Mr. *Zulfikar Ali Bhutto. There are* those who abhor capital punishment as a barbarism, and there are those who seriously doubt whether the capital charge against him was adequately sustained in a judicial process whose impartiality was at least open to question. Yet even if one suspends judgment on these two issues, the main reason for deploring the execution is that it will be bad for Pakistan.

No one can be blind to Bhutto's shortcomings as a man or his vices as a political leader. On any sober assessment, he broke the law as Prime Minister. But the murder charge brought against him was not a judicial event, it was an act of *political retaliation* by his political opponents, and it *will have political consequences* whose scale cannot yet be calculated.

General Zia may claim that he has merely carried out the due process of Pakistan's law; he may believe that he will be safer now that Mr. Bhutto is dead. But courts of law can only suffer when they are used as an instrument of political interests, and it is far from clear that the execution will confer safety on Zia.

On the contrary, there must be a *danger* that the hanging will set swinging a pendulum *of revenge* and counter-revenge which could be disastrous for Pakistan. General Zia has prevented Mr. Bhutto from standing in any future elections, but in the process he may have created a martyr.

The burden of enlargement

THE CONCLUSION of Greece's Common Market entry negotiations marks a major turning point in the Community's development, since it is the breakthrough in a new phase of enlargement which will in the next few years bring the membership up from nine to 12, embracing Greece, Spain and *Portugal. For the Greeks,* the event represents something of a triumph; for the rest of the Community, satisfaction must be mingled with doubts and anxieties.

Disillusion

The contrast with the atmosphere in the Community when the first enlargement negotiations were concluded could hardly be more striking. At that time most member states believed, or at least fervently hoped that Britain would make a major contribution to the Community, would in some sense fill an aching void. Even among those who were less enthusiastic, the conclusion of entry terms was a great achievement.

If the Greek accession talks have been conducted in an altogether lower key, it is partly, of course, because Greece is a much smaller country than the UK, and its entry will therefore make correspondingly less difference to the rest of the Community. But it is partly because of the disillusion which set in after British entry six years ago. Hopes that Britain would give new impetus to the process of European integration have so far proved to be misplaced, and on most policy issues the Community seems bogged down in disagreement, apathy or stagnation.

On purely practical grounds, the extension of membership to Greece, Spain and Portugal will make the activities of all the *Community institutions more* cumbersome and more complicated. There will be three more official languages for the translators and interpreters to cope with, and three new sets of national interests — political and economic — to be taken account of.

For their part, the Community governments have been resigned to the new phase of enlargement as a necessary gesture of political goodwill and democratic solidarity. For many years they insisted that democracy was the essential prerequisite for Community membership, and used the lure *of membership to strengthen* the democratic tide after the *fall of the colonels in Greece* and the deaths of Franco and Salazar in Spain and Portugal. Once democracy was restored in the three Mediterranean countries, the issue of Community membership ceased to be a question of principle (as it had been for so many years in the case of Britain), and became merely a problem of detailed negotiation.

New phase

But enlargement will undoubtedly bring many problems in its train. The Mediterranean countries are much less developed than their northern neighbours, and exposure to the full thrust of competition will impose serious strains on their industrial and social structures. The Community budget is already sagging under the weight of the common agricultural policy, and the inclusion of three Mediterranean farm sectors could bring the CAP crashing down. The Community cannot and should not resist or begrudge the candidates' aspirations; but it is a sign of the times that the *new phase of enlargement* is an occasion more for *anxiety than for hope.*

More delay over shipyards

IT WOULD perhaps be naive to expect Ministers to face up to the disagreeable but urgently necessary issue of rationalisation in the shipbuilding *industry* at the *outset* of a general election campaign. But the *continuing* uncertainty created by Mr. Gerald Kaufman's statement to MPs yesterday can do nothing but damage to the industry—and the interests of the taxpayer.

His refusal to commit the Government to any of the options set out in British Shipbuilders' corporate plan is hardly likely to strengthen the corporation's hand *in seeking* the cooperation of the unions *representing its workforce.* It will not help either the Government or the corporation in dealing with European Commission in Brussels over the use to be made of the shipbuilding intervention fund to win new business to fill the industry's very depleted order books. And it will not make it any easier for British Ship*builders to find* the *funds* to invest in the more profitable and growing parts of the industry, such as naval ship construction.

Capacity

The Government has endorsed the corporation's aim of maintaining Britain's 3 per cent share of the world market. But *this objective will remain pie* in the sky until the industry has *shed its obsolete capacity* and raised its productivity and delivery performance closer to internationally competitive levels.

Mr. Kaufman explained that market prospects are too uncertain for a firm commitment to be made about the industry's future size and shape, and to spell out the likely consequences for employment. The Government's procrastination is in sharp contrast to the attitude of other governments. The Japanese have embarked upon a joint government-industry programme aimed at reducing capacity by an average of 35 per cent, with even bigger cuts for the larger firms. The *Dutch* and the Swedes are cutting back by *over 50 per cent and at least* 42 per cent respectively. Similar targets have been announced in Norway and France, while the West German Government has adopted its traditional stance of letting contraction be determined by market forces.

Irrelevance

While other shipbuilding nations have recognised the inevitable, time has been occupied here by the irrelevance of nationalisation, which took the best part of two years to steer through Parliament and then led to another 18 months' delay while the new state-owned cor*poration organised* itself and prepared its first corporate plan. In the meantime, the world shipbuilding outlook has been deteriorating rapidly. Output has plummeted from 34m gross registered tons in 1975 to 18m g.r.t. last year. The total order book has fallen from 82m *g.r.t. to a bare* 26m g.r.t., of which some 70 per cent is due for delivery this year and another 20 per cent next year.

The *consequences of continuing* delay to the Exchequer will inevitably be high, as is indicated by the 1979-80 cash limit which Mr. Kaufman announced yesterday for British Shipbuilders' drawings on external funds. The figure of £250m, including grants from the shipbuilding intervention fund, is probably about twice this year's *likely* outcome. In addition, the corporation is to receive new capital on an interest-free basis. The sooner a newly-elected government gets to grips with the industry's problems the better it will be for everyone.

London expertise for U.S. pension funds

By MICHAEL LAFFERTY and DAVID LASCELLES

INTERNATIONAL investment management of U.S. pension funds is the latest idea to catch the imagination of the British merchant banking community.

It has already led Baring Brothers, one of the accepting houses, to buy control of a Boston-based fund management concern, Endowment Management and Research, at a cost of *some $3m. Robert Fleming,* a leading manager of UK pension fund money, says it has been "pursuing the possibilities of investing money overseas for U.S. institutions for some time," and a further announcement is now imminent. Kleinwort Benson another London accepting house, has been involved in U.S. fund management since 1977 as the result of a link with the Wall Street brokerage house of Goldman Sachs. A Kleinwort Benson run publicly-quoted *fund, known as the Transatlantic* Fund, is already invested inter*nationally for a modest $15m.* Now, as a result of greater than expected demand, the Transatlantic Fund is about to have a public issue of stock that will "multiply its size enormously."

Coming the other way, the U.S. investment firm of Donaldson Lufkin Jenrette will shortly announce the opening of a London office for its Alliance Capital division. Alliance currently manages some $7bn of funds in the U.S.

These are just the most outstanding of recent or forthcoming developments. Other leading London merchant banks, including Warburgs, Schroders, Morgan Grenfell and Hill Samuel, are either already prepared to take advantage of what they hope will be a great new oportunity, or are actively considering a move.

Diversification into foreign stocks is still something relatively new for most U.S. fund managers, who have been *reared on Wall Street's narrow* view of the world. But *the* volume of such funds channelled abroad is growing fast, and is reckoned to have topped $1bn in four years.

Leading the way

The birth of the boom dates back to 1974, when President *Nixon* abolished the interest equalisation tax, a measure which had reduced the incentive to invest abroad. That year, Morgan Guaranty, the large New York bank which is generally credited with leading the way, set up an international equities fund with the stated aim of putting 5 per cent of pension fund assets in foreign securities. In 1977, it set up a similar fund for bonds.

While the removal of the interest equalisation disincentive in 1974 was seen as a start, the passing of the Employment Retirement Income Security Act (ERISA) the same year is thought to have operated, initially at least, against international diversification. Possibly because of the severe penalties laid down under ERISA for imprudent management, it became the accepted view that investments should not be made outside the U.S. In recent years, however, another school of thought — saying that international diversification is required under ERISA — has been gaining ground. *This* has been helped by a decision of *the Department of Labour* in 1977 which said, in effect, that *investment securities need not* be held in the U.S.

Today, Morgan Guaranty's funds represent by far the *largest share of corporate* pension fund money invested abroad. Its equities fund, worth $425m, represents 5.5 per cent of the bank's total equity fund investments, and the bond fund, worth $137m, about 6 per cent of its total bond investment.

Both have done so well that Mr. Harrison Smith, executive vice-president of Morgan's trust and investment division, comments: "we have now raised our goal to 10 per cent."

On a different scale, Chemical Bank started a $2m foreign investment fund in 1977 which now stands at nearly $20m. Outside the banking world, fund managers like Fidelity, Batterymarch and maybe two or three dozen other sizeable concerns are putting their money abroad, too.

The activity is so new that no one keeps close track of the *figures involved. But estimates* in the financial community put *the pension funds'* overseas investment at between 0.5 and 1 per cent of their total assets of over $200bn.

Once they go abroad, the funds tend to do so in a big way, investing in all the major markets in Europe and the Far East. One fund manager pointed out: "It soon becomes a matter of betting on markets as much as stocks." Managers say they think it would be possible to run a foreign securities fund from New York; but most would argue that the need for good market intelligence and foreign contacts makes foreign offices necessary.

Mr. Charles Nunneley, a director of Robert Fleming, describes the potential for investment money coming out of the U.S. as "enormous." "We have come to the end of a long period of U.S. economic domination. This is no fashion but the beginning of a long-term trend," *he forecasts.*

One U.S. investment manager has some doubts, however, about the prospects for the London merchant banks in the area of international manage*ment of U.S. funds.* "They don't have the relationships. And *there is going to* be heavy competition between U.S. money managers to start with," he suggests. Competition may also be expected from Swiss banks, especially the private banks, which pride themselves on their international outlook. Julius Baer, for instance, has taken steps to diversify American portfolios into other currencies.

There may be something in this. But some of the London merchant banks reckon they have this possibility well covered. Kleinwort Benson's decision to team up with Goldmann Sachs two years ago was designed to give Kleinworts experience of domestic fund management in the U.S. Goldmann Sachs wanted to divest itself of its fund management operations so Kleinwort took it over *under the title* of Kleinwort Benson McCowan. *Currently the shares in the latter* are owned 40 per cent by the U.S. executives and 40 per cent by the Kleinwort group, with 20 per cent retained by Goldmann Sachs. Kleinwort Benson McCowan currently has some $600m under discretionary management, with "a lot more" funds under advisory management.

It is the Kleinwort Benson McCowan managed Transatlantic Fund, a publicly quoted SEC-registered fund designed for U.S. investors which has "an outstanding record" according to Kleinwort, and which emphasises the opportunity that *U.S. investors have lost in* recent years through their con*centration of funds* within the country itself. Kleinwort Benson has seconded key personnel from London to New York to handle the Transatlantic Fund. But if the flood of U.S. money going international becomes strong enough it might establish a legally separate operation in London to handle the business. "International investment by U.S. funds has been talked of for four years," comments Mr. Martin Jacomb, vice-chairman of the UK bank. "But there was no action because trustees were required by law to be so careful in their investments. Now *the pendulum has swung* greatly. And as soon as a few *participate, they all will.*" In other words, he believes the *Americans now* realise they live in an international world.

THE MANAGERS AND WHAT THEY MANAGE

BANKS & TRUST COMPANIES	$bn
Morgan Guaranty Trust of New York	14.0
Bankers Trust	9.2
Citibank	7.5
Mellon	7.5
Harris Trust & Savings Bank	7.0
First National Bank of Chicago	5.8
Chase Investors Mangement	5.5
Manufacturers Hanover Trust	5.4
National Bank of Detroit	5.2
First National Bank of Boston	4.5
Chemical Bank	4.2
First Trust of St. Paul	4.0
Royal Trust	3.9
U.S. Trust of New York	3.5
Bankers Life	3.0
Wells Fargo Investment Advisers	2.7
BA Investment Management	2.6
Brown Brothers Harriman & Co.	2.6
Republic Nat. Bank of Dallas	2.6
Capital Guardian Trust	2.4
Continental Illinois Nat. Bank & Trust of Chicago	2.4
St. Louis Union Trust	2.4
Cleveland Trust	2.0
Fiduciary Trust Co. of New York	2.0
Northern Trust Co.	1.9
Springfield Marine Bank	1.9
American Nat. Bank & Trust of Chicago	1.8
Bank of New York	1.8
Citizens and Southern Nat. Bank	1.8
American Fletcher Nat. Bank	1.7
First Nat. Bank in Dallas	1.6
First Nat. Bank of Atlanta	1.6
First Nat. Bank of Minneapolis	1.6
Fidelity Bank	1.5
National Trust	1.5
Wachovia Bank & Trust	1.5
American Security Bank	1.4
Boatmen's Nat. Bank of St. Louis	1.4
Crocker Investment Management	1.4
United California Bank	1.4
Montreal Trust	1.3
Security Pacific Nat. Bank	1.3

INDEPENDENT MANAGERS	$bn
Alliance Capital Management	6.8
Scudder, Stevens & Clark	6.7
Price (T. Rowe) Associates	3.9
Putman Advisory	3.5
Edie Asset Management	3.4
Loomis, Sayles & Co.	3.4
Sarofim (Fayez) & Co.	3.0
Stein Roe & Farnham	2.9
State Street Research & Management	2.7
Sears Investment Management	2.6
Boston Co. Institutional Investors	2.2
Thorndike, Doran, Paine & Lewis	2.0
Boston Co. of Louisville	1.7
Fischer, Francis, Trees & Watts	1.7
Batterymarch Financial Management	1.5
INVESCO Capital Management	1.5
Jennison Associates Capital	1.5
Babson (David L.) & Co.	1.4
Delaware Investment Advisers	1.4
FMR Investment Management Service	1.4
MackKay-Shields Financial	1.4
CNA Financial	1.2
Rosenberg Capital Management	1.2
National Investment Services of America	1.1
Transamerica Investment Management	1.1
Western Asset Management	1.1
Endowment Management & Research	1.0
BEA Associates	1.0

INSURANCE COMPANIES	$bn
Equitable Life of the U.S.	16.0
Prudential of America	16.0
Metropolitan Life	10.8
Aetna Life & Casualty	9.5
Connecticut General	7.6
John Hancock Mutual	6.6
Travelers	5.8
Lincoln National Life	1.5
New York Life	1.5
Massachusetts Mutual Life	1.3
Great West Life	1.2
Mutual Life of New York	1.2
Pacific Mutual Life	1.2

Figures compiled by the Institutional Investor showing the tax exempt assets of U.S. money managers as reported by them on 30 September 1978. Corporate, state and municipal pension funds represent by far the largest element. In case of insurance companies the figures are for funds managed for third parties—not the policy holders. In many cases the figures may be inflated by the inclusion of portfolios advised on or other means. The figure for Endowment Management and Research excludes $250m managed on behalf of the Yale Endowment Fund.

The Baring Brothers acquisition of Endowment Management and Research bears some parallel to the Kleinwort Benson entry route. Barings has been looking for an entry to *U.S. fund management for the* past three years. It quickly *realised* that starting from scratch would be "hopeless." *EM and R provided the ideal* vehicle. It was established some 10 years ago by Yale University and a few individuals, and today has funds valued at $1½bn under management, of which $½bn comes from the university. Barings has acquired 80 per cent of the stock, with the balance held by the EM and R staff. It has also brought in Mr. John P. McGinnis, a former senior vice president of Morgan Guaranty, to run the organisation.

Like the other UK merchant banks, the business Barings is clearly interested in is that which will follow from U.S. funds becoming international. "The growth area in investment management will be in money crossing borders," predicts Mr. E. M. P. Wellman, Baring's chief investment director.

In the UK, Baring manages £1bn of investment funds and advises on a further £1½bn. Mr. Wellman is prepared to admit that domestic fund management is not very profitable. Rewards in the U.S. can be between two and three times bigger, though the costs and the risks are higher too.

With Endowment Management and Research under its belt, Baring Brothers now likes to see itself as having a presence in the three major securities markets of the world: London accounts for Europe and the Euromarkets; Henderson Baring Management — a Hong Kong-based operation owned jointly with the Henderson Administration Group — covers the Pacific area, while EM and R accounts for the U.S. How well the global idea works will depend greatly, Baring directors admit, on the future exchange of personnel.

Management of U.S. funds

Rothschilds has an interest in U.S. fund management through a company called New Court Securities, which currently has assets under management of about $1bn. Like so many other banking groups it, too, is actively preparing for the possibility of international management of U.S. funds.

Schroders, another leading London accepting house, has been operating continuously in New York since 1923. The U.S. subsidiary is now 85 per cent owned, with three other partners—Bank of Nova Scotia, Allianz and Equitable Life—holding 5 per cent each. The U.S. *operation* includes a separate fund management subsidiary called Schroder Naess and Thomas, based on a Baltimore investment management and consultancy company acquired about 10 years ago. Schroder Naess and Thomas has some $1bn under management, and advises on a further $1bn. And what about international management of U.S. funds? "It's an area we're just getting into. We hope it's going to be a great growth area," says Schroders' Mr. Raymond Bar-rock.

The same situation applies to several others. Warburgs, Robert Fleming and Morgan Grenfell have already registered investment management companies with the Securities and Exchange Commission in New York. Another merchant banking group, Hill Samuel, admits it has already spoken to a considerable proportion of the top 200 U.S. companies. But Mr. Richard Green, a director, is not jumping overboard about *the immediate prospects,* although he is optimistic about *the possibilities* a few years from now. "U.S. pension funds are approaching this cautiously. All the evidence is that this will not happen overnight."

Despite such notes of caution the London merchant banks clearly see the international diversification of U.S. pension funds as a great opportunity, and they are confident that they have a head start on all other non-U.S. fund managers.

All they want now is U.S. money to play with.

MEN AND MATTERS

Jim's man pulls out

It is timely that Denis Grennan has resigned from his job as political counsellor on southern Africa at the Foreign and Commonwealth Office. He has played a leading if invisible role in shaping policy—especially on *Rhodesia*—since he was recruited by James *Callaghan;* but his views would scarcely accord with those of a *Conservative Foreign Secretary.*

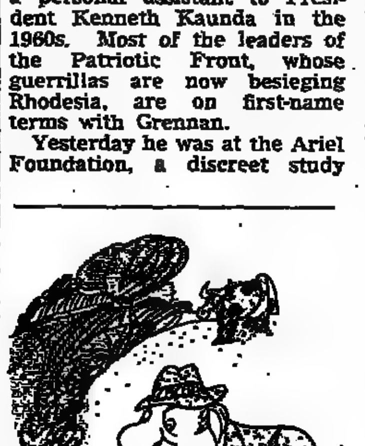
Grennan often travelled around Africa with Dr. David Owen as his senior adviser, but has shunned the limelight at home. When I questioned the FCO Press office his name produced mystification, but eventually it was discovered that Grennan had resigned earlier this year.

He is better known in such places as Zambia, where he was a *personal assistant to* President Kenneth Kaunda in the 1960s. Most of the leaders of the Patriotic Front, whose guerrillas are now besieging Rhodesia, are on first-name terms with Grennan.

Yesterday he was at the Ariel Foundation, a discreet study organisation with an office near Victoria Street. He said: "I want to help Jim with his election campaign. But I am not sure yet what form that help *will take.*"

Now 50, Grennan has been in the political arena since his student days. He was president *of the National Union of* Students in 1959, when it was much involved in international affairs.

After the election, whatever the outcome, he may return to Sussex University, where he was lecturing until Callaghan called him to Whitehall. He has still to complete a critical appraisal of British policy towards South Africa and her neighbours.



"So much for her saying she *wants to help the old and retired.*"

Head line

Happily for the film distributors, Travolta fever *has sufficiently* permeated French culture to leave "Grease" untranslated. In Spain, however, the crowds are flocking to see "Brillantina," while the youth of South America is raving about the more clinical-sounding "Vaselina."

"The basic meaning is, after all, a hairdressing," a CIC executive *told me bashfully.*

Drying out

A businessman just back in *Britain from the Gulf* tells me that a cloud of gloom hangs over *the Qatar emirate.* "*Room 501* has been closed," he explained.

Room 501, known to many thirsty western businessmen, was a secret and exclusive drinking hideout in the Gulf Hotel, Doha. Guests were obliged to show their room keys and obtain an admission slip each time they wanted a night-cap after the day's work. But now the discreetly converted bedroom and lounge has been *shut down, by order of the* Qatar Government.

The closure of "*501*" is part of a package of measures to curtail drinking in Qatar. The number of sales outlets has been cut from nine to five, the customs duty has been put up —and the monthly ration to ex*patriates has* been squeezed.

Although the contractors and bankers who do business in Qatar are not yet displaying *alcohol withdrawal symptoms,* the move is a portent. Several *large hotels* are *now* being built and all had asked for "501" *facilities; it seems* that these will not now be granted.

Sea change

The American epicure and tycoon James Sherwood, who has been keeping strangely quiet of late, is, I learn, concocting his most unlikely enterprise to date—the revival of the Simplon-Orient Express. It is a venture many have talked out, but I am assured that at the end *of May, 1980,* eight *luxuriously*-refurbished antique carriages will trundle out of Victoria and down to the coast, boarding a ferry at Dover.

At Dunkirk the well-heeled passengers will roll on to Venice in the ambience and style of yesteryear.

Sherwood, 45, is now busy adding another 24 Pullman and *Wagon-Lits* cars *to* the two knocked down to him for £64,000 at a Sotheby's *auction in* Monaco in 1977. In the same year his Sea Containers Group also bought the Hotel Cipriani in Venice, and, for £9m, the half-built Kings Reach Hotel in London. Both establishments *will no doubt figure in future* package tours of the smarter kind.

Sea Containers is keeping the whole enterprise very dark at the moment, including its cost: "We have a lot of negotiations going on." But the newly-appointed head of the travel division, Alain de la Motte, tells me several of the eight cars bought so far are already being reconverted at the railway *museum in Carnforth, near* Lancaster. Others are being worked *on in Irun, Spain, where some* of them were originally made. The service will, after 1980, run from April to November. Ferrying what kind of passenger? I asked De la Motte. "Top-of-the-line market. I think we'll have a heavy concentration of people above 40 or 45. It will be something that people will build their European trips around."

But there is no intention that *Sherwood's* mobile antiques should go any nearer the Orient than Venice. "The ride from there to Istanbul is very dull," says De la Motte sniffily.

Double take

As I reported the other day, the real fuel crisis in the U.S. concerns 900,000 petrol pumps which cannot register a price of more than 99.9 cents a gallon —a price likely to be superseded within a year. One company not unhappy with this situation is Tokheim, America's largest *petrol pump maker,* whose shares more than doubled in price overnight.

"Before I go short on Tokheim shares," asks one of my more cautious readers, "would you just confirm that there would be nothing too irrational in selling gasolene per half-gallon? Or putting it simply, 'double the meter'?" *No doubt Tokheim will be* pleased to have its shares *restored to their former stability* by such helpful suggestions.

Say that again

The *bulletin* of the Adam Smith Society has drawn my attention to a new enterprise in Covent Garden, London, called the Alternative Bookshop. This specialises in works on the free society and market economics. The bulletin says: "Visitors cannot but fail to find the range of stock impressive."

Thanks for the warning. How about the alternative?

Observer

ECONOMIC VIEWPOINT

The mystery of U.S. monetary policy

THE PROLONGED fall in the U.S. dollar appears to be over for the time being. The best measure of this is the Bank of England's trade weighted dollar index, which is closely related to the IMF index, and, unlike some others, is not excessively influenced by the Canadian dollar.

Until 1977 the dollar had held up extremely well, surmounting the 1973-74 oil crisis and the subsequent world recession, with a net fall of only 3 per cent compared with the Smithsonian parity fixed on December 21, 1977. Its fall from grace began in 1977 mostly taking place in the second half of that year. By the end of 1977 the effective exchange rate had fallen by over 7 per centage points further.

It continued to weaken in 1978. Its first reaction to the October 24 Carter package, which contained only wage-price guidelines was to fall further. By the end of October the total fall of the dollar over the year amounted to over 11 per centage points; and the trade weighted index was standing at just below 80 per cent of the Smithsonian level.

This was followed by an apparently dramatic change of U.S. policy on November 1 involving a 1 per cent rise in the U.S. official discount rate, a tightening of bank reserve requirements, support operations by overseas central banks and the announcement of the issue by the U.S. Treasury of foreign currency denominated bonds in overseas markets. There was a dramatic recovery in the dollar, in part stage-managed by the central banks. Even so there was still some slippage later on, especially when the OPEC countries announced an increase in oil prices in December and again at the beginning of February under the impact of events in Iran.

Now, however, the dollar appears to have weathered these troubles. Despite further oil price increases, the dollar has recovered to a trade weighted average of 85½. Nor does this latest recovery reflect entirely overseas support. Indeed some central bank "swaps" have now been repaid.

Nor is it at all easy to attribute the recovery of the dollar to the behaviour of the U.S. trade deficit. Although much narrower than in mid-1978, when it exceeded $40bn at an annual rate, the three-month average has been widening again this winter and is not far short of a $30bn annual rate. The trend of business activity cannot really account for what has happened either. For despite the monetary tightening, the much predicted recession has been slow to develop, and output and employment have held up in a way which has confounded the prophets.

Obstacles

In itself this may be welcome; but it suggests that the stabilisation of the dollar cannot be explained in the simple conventional way by a fall in business activity leading to a drop in the import bill. Nor has there been better news on the inflation front. On the contrary the rise in U.S. consumer prices accelerated from 7 per cent in 1977 to over 9 per cent in 1978 and is set to go higher this year. Nor is anything dramatic likely to happen to the U.S. budget deficit. The Administration has predicted a decline from $37bn in the fiscal year 1979 to $29bn in 1980. But the Congressional Budget Office regards a $40bn deficit as the more likely outcome in both years, taking into account the business outlook and Congressional obstacles to cutting some expenditure items.

U.S. MONETARY GROWTH RATES

(Compounded annual rates of change in percent)

	Four months to end February*	Previous 4 months†
Monetary Base	+6.7	+10.5
M1	−2.5	+ 8.5
M2	+2.2	+10.6
Net Time Deposits	+5.7	+12.2
Demand Deposits	−6.7	+ 7.7
Currency	+9.7	+10.6

* Average of four weeks ending October 18, 1978, to four weeks ending February 21, 1979.
† Average of four weeks ending June 21, 1978, to four weeks ending October 18, 1978.

Source: Open Market Committee, Graduate School of Management, University of Rochester, N.Y.

The main reason for the dollar's stabilisation now appears to be a substantial tightening in monetary policy. Events on the monetary front have been exceptionally obscure.

But thanks to the researches of the Shadow Open Market Committee, a forum of outside critics organised by Prof. Karl Brunner of the Graduate School of Management of Rochester University, it is possible to make out a few glimmerings of light in the murky tunnel. The two principal monetary series (M1 and M2) have become more and more misleading, due partly to the inclusion of foreign bank deposits and the exclusion of certain domestic deposits. Still more important, overnight repurchase agreements and overnight Eurodollar deposits have developed as relatively close substitutes for bank deposits.

These institutional innovations are not the result of some malign law of nature seeking to frustrate monetary control. They are due to interest rate controls on normal deposits and other official distortions and regulations, which provide an incentive to seek out financial assets free from ceilings and regulations. The best measure of monetary growth is probably the "monetary base." This is currency plus the reserves of member banks with the Federal Reserve.

The monetary base has not shown the ridiculous drop to near zero or negative growth rates of the M1 or M2 series. But for a fairly stable series the drop has been quite dramatic. Its growth rate was just over 8 per cent per annum in 1974-76; it accelerated slightly to just over 9 per cent in 1976-78 and by the four months up to mid-October it was growing at an annual rate of 10½ per cent. But in the following four month period taking in the early part of 1979 it fell sharply to little more than 6½ per cent.

How much confidence do these changes induce in the longer term future of the dollar? As yet, not very much. It is all too likely that U.S. policy makers, including the Federal Reserve, still think instinctively of monetary policy in terms of interest rates.

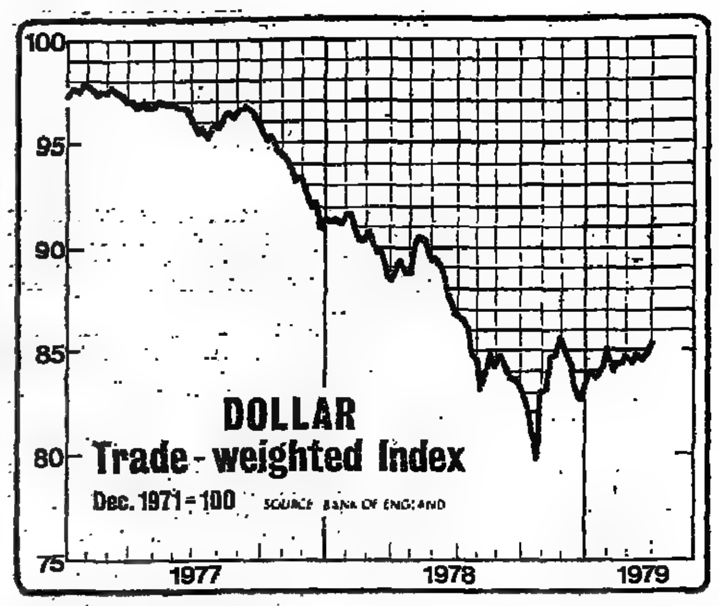
There is no more sign in the U.S. than there is in the UK of a medium-term strategy related to monetary aggregates rather than interest rates, with the aim of reducing gradually the growth of the former.

The Shadow Open Market Committee proposes as an alternative to present policies a programme to reduce the annual growth rate of the monetary base to 2 per cent by 1985. This is the highest rate consistent with price stability, in the light of long-established trends in velocity. But instead of beginning with the mock heroics of a savage cut in 1979—followed by the usual U turn when unemployment rises and the 1980 Presidential election approaches—the Committee would prefer a modest anti-inflationary target of 8 per cent growth in the base year, followed by a pre-ordained 1 per cent reduction in each subsequent year.

At an operational level there is almost certainly a close relationship between the U.S. monetary base and the growth of Eurodollar deposits. At the moment there is a ferocious argument in the banking journals between those who treat Eurocurrency deposits as a net addition to the world money supply and those who say that without the Eurocurrencies, domestic balances would circulate faster.

In a world of financial innovation, people are likely to learn to economise on traditional types of money balances; and it is almost a linguistic matter whether one chooses to broaden the definition of money or to include new assets take a narrow definition and say that its velocity is increasing. In either event it is the reserve base of the system that has to be controlled: and new technical developments have to be met by reducing targets for reserve creation.

But if we are prepared to look ahead to the longer term—which comes all too quickly—people will stop using a currency which depreciates at a rapid and uncertain rate: and this applies even to the great American dollar. If the dollar continues on a rake's progress, portfolio diversification will affect not only OPEC holders but large domestic U.S. corporations, and eventually even the owners of filling stations in Ohio. Long before that crisis, the U.S. authorities will either have moved decisively to more stable money or used the Emergency Powers Act of 1977 to impose exchange controls in peacetime. If the latter course is adopted, that will be the time to sell the dollar, whatever "M" the Fed says it is controlling and however many "teeth" are introduced into the wage-price guidelines.



Threat from sterling

THE BIGGEST threat to monetary control in the UK does not at present lie in the most discussed Public Sector Borrowing Requirement or the outlook for gilt-edged sales. It lies instead in the resistance of the British authorities to the rise in sterling.

From this point of view the $837m reserve rise in March—an underlying $1,017bn increase after allowing for borrowing and repayments—is appalling news. It means that the Bank of England is buying up foreign exchange with specially created sterling to stop the pound from rising too fast. Although the technical details are complicated, such a policy, if continued for long, must threaten the monetary guidelines.

We have, of course been here before and quite recently. In the 1977-78 financial year the monetary targets were breached because the Treasury insisted on resisting a sterling rise. But it was all to no avail because in the end sterling had to be "uncapped" in October of that year; and the main result was to delay the reduction in inflation then taking place and ruin any chances of single figure wage settlements in the subsequent pay round. The main difference this time is that the authorities are resisting the sterling rise rather than trying to stop it altogether. But the basic policy is the same.

So long as it continues, any decision on MLR is bound to be wrong. If interest rates are reduced, this will simply aggravate the internal demand for credit and threaten the monetary targets from that side. If MLR is kept up, the foreign inflow could become even greater, thus threatening monetary control from the other direction.

Action—or rather non-action—to let sterling float freely and stem the reserve increase cannot wait until the election, even if action on exchange control has to do so. The two areas are not as closely related as often supposed. The argument for phasing out exchange control concerns the real exchange at a time when North Sea oil is crowding out traditional exports (and it is as valid for a Labour Chancellor as for a Conservative one). The argument for not intervening in the foreign exchange market concerns the nominal exchange rate, and the rate of inflation.

It is a striking illustration of the power of ideas—often, alas not the best ones—over self interest, that a Government should be trying to hold down its own currency in the run-up to an election. Politicians and their advisers do excel at kicking the ball into their own goals.

Samuel Brittan

Letters to the Editor

The shrewd punter

From Mr. K. T. B. Scott

Sir,—In his article on gambling (March 31) Eamonn Fingleton presents an unassailable case for the winning punter to pay the tax first. However, the overall picture is not so clear-cut as he would have us believe. In reality and unfortunately for him the average punter is a loser, otherwise the bookie could not survive in business, and the case for his attitude in opting to pay the tax out of winnings merits some consideration. Moreover it is clear from the article that the bookie's preference is for this method of tax payment since it maximises his returns and hence also the losses of the average punter.

From your calculations the winning punter increases his returns by 0.77 per cent by paying the tax first. The losing punter, however, increases his losses by 9 per cent by this method, since in general he adds the tax to his normal stake money. Mr. Peter George was quoted as saying that the increased turnover thus gained more than compensated for the slightly better odds to the punter; the extent of the much-increased consequential loss to the average punter, however, escaped notice.

I believe the occasional or "non-seasoned" punter is shrewder than you suppose. While he is prepared to lose his stake money cheerfully for the entertainment of having a gamble, he is not prepared to pay the bookie an entertainment tax. At the same time he is quite agreeable to cutting the bookie into his winnings. This intuitive philosophy of the occasional punter is one which makes good sense since it minimises his overall losses. It would be interesting to know from Mr. George whether the "seasoned" punter who pays tax first is a winner on average over an extended betting period: I suspect not, in which case it would be less to his disadvantage to pay tax out of his winnings.

Many Northern punters who paid tax with the bet may now be questioning the relevance of your analysis after the event, while on the other hand many Scots punters may be wholeheartedly in concurrence. However, the golden rule for the average (and therefore unsuccessful) punter is quite clear; the less you hand over to the bookie whether in the guise of stake money or tax the less you lose.

K. T. B. Scott.
Merlin Court,
16, Branksome Park,
Poole, Dorset.

Roads and taxes

From Mr. R. Ebbs

Sir,—Mr. D. G. Lindsay's remarks (March 29) on the efficacy of a two-part road tax tariff will sound a familiar note in the ears of those who have studied economics. Like much economics, however, this is only part of the story.

The enormous cost of collecting and policing road tax would be drastically reduced by replacement with a single tax on petrol, since the machinery for collecting the latter fully exists. There has been a very low correlation between road fund licence revenue and the road building programme for many years, so the argument for "a fixed annual contribution to the capital costs of the road programme" is undercut in this context.

The main advantage of the present system is the existence of an annual check on the validity of insurance and roadworthiness certificates. So far as I know there is no proposal to abolish annual registration, so this advantage would remain under the new proposals.

Richard Ebbs.
20 Woodland Road,
Chingford, E4.

Dutch Auctions

From Mr. Paul R. Grotrian

Sir,—During the run up to the defeat of the present government, various inducements were offered to various groups, to vote on one side or the other. The uncharitable might call it bribery but some of our leading politicians began to talk of "Dutch Auctions." Can this nuisance please be abated? If indeed an auction was taking place, it was a perfectly straightforward one. In a Dutch Auction, there is one bid and one bid only; this bid is invariably successful and irrevocable.

Paul R. Grotrian,
Alldens Copse,
Alldens Lane,
Godalming, Surrey.

Assisting exporters

From the Manager, International Export Association

Sir,—I hope the comments from Mr. Barrie Quilliam (March 30), managing director of Forest City Signs, do not deter exporters from taking out ECGD cover on their export orders. This cover is vital in providing the exporter with some security, especially when there are no real alternatives available—apart from perhaps factoring, which is an entirely different story.

As with anything there are limitations as to what such a scheme can offer but to receive 95 per cent or 90 per cent of the bill, even with a wait of six months or more for payment, is better than receiving no payment whatsoever.

One should consider the reasons why such a department as ECGD is needed in the first place. The most obvious is that world economies are always changing, trade restrictions and currency problems are always arising, there are political upheavals and wars. Even the most intensive of export research projects cannot foresee any of the above problems which may, in some cases, blow up literally overnight.

Let us now consider the other factors involved, whereupon we also begin to touch on the question of professionalism in exporting. If a claim is made because for some reason the buyer either cannot or refuses to pay, the exporter has only himself to blame. It means that he has not even considered or made adequate research into the people or the country he is selling to, for example omitting to obtain status reports, etc. Minor mistakes on irrevocable letters of credit made payable to the seller in his own country, are unforgiveable, especially as this is the most advantageous method of payment to the exporter apart from proforma invoicing or cash with order. Even with a letter of credit, I know of examples where export procedure has not been followed, goods have been produced in anticipation of receiving a letter of credit and the producer has been left with sometimes specially produced stocks, no letter of credit forthcoming.

What appears to be happening is that certain companies are not taking exports seriously or considering them important enough to be worth doing properly. This is where professionalism in exports and the status of the true exporter comes in. Mr. Arthur Day, ex-Director General of the Institute of Exports in a recent article he wrote for the Export Times advocated the vital need for exporters to obtain professional status such as that attained by accountants etc, something that we, of the International Export Association, wholeheartedly back.

The stability of world economies and the maintenance of peace relies heavily on world trade and British exporters' lot is not a happy one, getting a much rawer deal than their European counterparts in countries such as Germany and France. If we could recognise the high standards required in successful exporting and respect professional standards of the true exporter, we would eradicate the companies that are playing at exporting and the man who is naive enough to think that it is just an extension of the home market and thus reduce some of the unnecessary work that ECGD has to do because of the follies of the naive and uneducated.

I. A. Younger.
P.O. Box 1, Bourne, Lincs.

Oil prices

From Mr. W. C. R. Whalley

Sir,—Richard Johns' article on Middle East oil (March 28) omits to mention the historic background to OPEC's threefold increase in prices during the 1973 war. For generations oil prices had been dominated by large shut-in reserve production in the wells of Louisiana and Texas.

During the Suez crisis and several subsequent ones, these wells proved capable of meeting any shortfalls arising from restrictive actions in the Middle East. The last such time was the 1967 war, after which doubts began to be expressed as to just how much reserve capacity still existed. These questions were resolved during the winter of 1971/72, when, during a period of crude shortage, oil wells nationwide were opened up full bore. There was no discernible increase in production. The centre of oil pricing had moved from the Caribbean to the Persian Gulf. The war of 1973 merely provided the catalyst to raise prices dramatically, where otherwise action would have come surely but very likely more slowly.

A major factor, long ignored in the West, was the deeply felt resentment at the large revenues raised by British and other Western governments from taxing imported oil. Their role was seen by the producers as merely parasitic, creaming off revenue which otherwise might have been available to producer states. The 1973 increases enabled the latter to realise their long standing ambition of deriving as much revenue from a barrel of crude as governments of importing states.

W. C. R. Whalley.
105, High Street, Hungerford, Berkshire.

Wealth tax

From Mr. A. T. Macgregor

Sir,—Professor Sandford (March 26) confirms that most countries today tax the transferer of wealth alive or dead, and that the taxes amount to so little that they have more a social purpose rather than a commercial one. There seems little doubt that it would be a much fairer and effective system to tax the receiver of the wealth, not the giver, who may already have paid tax on it once.

A wealth tax would be a very acceptable substitute for inflation and also generally fairer.

A. T. Macgregor.
6, Kildare Court,
Kildare Terrace, London, W2.

Insuring your home

From the Secretary General, British Insurance Association.

Sir,—Mr. James raises an important issue on house insurance (April 2).

Insurance companies encourage house owners to insure for the rebuilding cost of a house for two reasons.

First, people want their homes repaired or rebuilt when they are damaged or destroyed and most claims by far are settled on this basis. Admittedly, total destruction is uncommon, but the cost of repairing substantial damage can exceed the market value of a house.

Second, this is the most equitable basis they have been able to devise of levying premiums.

In a competitive market, insurers need satisfied policy-holders. They try hard to provide guidance — and our own leaflet, A Guide to Buildings Insurance for the Home Owner (free from BIA) is a case in point.

Roger Bardell.
Aldermary House, Queen Street,
London, EC4.

Working overseas

From the Group Taxation Manager, John Laing Ltd.

Sir,—Eric Short in his article on the taxation of non-residents (March 31) appears to totally ignore the existence of the provisions in the Finance Acts 1974 and 1977 which exempt either partially or totally, earnings by an individual who works overseas for more than 30 days of one year. Might it not have been sensible to at least allude to these provisions.

A. M. Smith.
Page Street, NW7.

Today's Events

GENERAL

UK: Mr. Roy Jenkins, European Commission president, delivers Hoover Address at Strathclyde University Business School.

Electricity supply workers resume pay talks.

Lord George-Brown speaks at Association of British Chambers of Commerce dinner, London.

Mr. Kenneth Corfield, deputy chairman and managing director, Standard Telephones and Cables, principal speaker at Design and Industries Association conference at Institute of Directors, London.

Sir Derek Holden-Brown, Allied Breweries chief executive, and Admiral Madden, Brewers' Society director-general, speak at Western Counties Brewers' Association regional secretaries' meeting, Bristol.

Association of Offshore Diving Contractors' underwater engineering two-day symposium opens, Aberdeen University.

Derby Day bicentenary exhibition of paintings, drawings, photographs, and other memorabilia, opens Royal Academy of Arts, London (until July 1).

Overseas: President Carter signs GATT agreements with Mr. Sunao Sonoda, Japanese Foreign Minister, in Washington.

OFFICIAL STATISTICS

Department of the Environment publishes housing starts and completions for February.

COMPANY RESULTS

Final dividends: Bowater Corporation. British Printing Corporation. Brown Boveri Kent. Cadbury Schweppes. Carron Company (Holdings). De Vere Hotels and Restaurants. East Rand Consolidated. Grampian Holdings. Guest Keen and Nettlefolds. George Kent. Ladbroke Group. F. J. C. Lilley. London Brick Company. Morgan Crucible Company. Wm. Morrison Supermarkets. Ofrex Group. Henry Sykes. Taylor Woodrow. **Interim dividends:** Burgess Products Company (Holdings). Pyke (Holdings). Startrite Engineering Group.

COMPANY MEETINGS

Derek Crouch, Great Northern Hotel, Peterborough, 12. Ladies Pride Outerwear, 146, St. Saviour's Road, Leicester, 11.45. Law Debenture Corporation, Estates House, 66, Gresham Street, EC, 11.30. Sedgwick Forbes Bland Payne, Sedgwick Forbes House, 33, Aldgate High Street, EC, 12. Thermal Syndicate, Royal Station Hotel, Newcastle upon Tyne, 2.15.

Peachey grows in first half: confident outlook

RESULTS of Peachey Property Corporation for the six months ended December 25, 1978 *show a pre-tax profit of £896,000*, an increase of £128,000.

Earnings per share are shown at 2.1p, against 1.7p. The interim dividend is maintained at 1p per 25p share—the previous total was 2p from a pre-tax profit of £1.9m.

Profit on property trading sales increased from £530,000 to *£635,000 in the first half* while the reduction in net rents from £1.39m to £1.31m reflects the property sales in the year to June 1978.

The property trading profit includes £325,000 previously credited to capital reserves as a revaluation surplus at June 24, 1978. An amount of £155,000 has *correspondingly been released* from deferred tax.

	First half 1978 £000	*1977 £000
Net rents	1,312	[illegible]
Interest dividends	11	31
Trading prop. profit	635	530
Other income	108	77
Interest payable	640	812
Admin. expenses, etc.	530	450
Profit before tax	896	768
Tax	441	396
Net profit	455	[illegible]
Minorities	2	4
Extraord. debit	139	62
Attributable	414	306
To capital surpluses	219	180
Dividends	226	226
From retained earnings	31	100
Prop. val. surplus	170	144
Invest. prop. surplus	83	58
From profit & loss	219	180
To capital reserves	[illegible]	94

* Restated † Expenses after administrative reorganisation. ‡ Costs in defending takeover bid.

The sale of Park West for £12m has been completed and Lord Mais, the chairman, says *the proceeds will enable the* group to repay UK bank borrowings and to take advantage of investment in the short-term money market.

With the cash generated from the sale, the directors can pursue their policy expansion by the purchase and creation of new *investments and developments*, particularly in the commercial and industrial field, Lord Mais says.

The chairman also refers to two points *from the January* 1979 report of the Department of Trade which emphasises the strong financial standing of Peachey and the statement that the group "may now fairly and safely be judged on the merits of its performance and its present board, without recourse to

HIGHLIGHTS

Lex considers some results from the insurance sector where **Sun Alliance** has produced a much better second half despite continued underwriting losses in the UK. Figures from ***Phoenix** look slightly disappointing* in the final quarter and it too faces underwriting losses in the UK and on the Continent. **Bridon** has produced a sharp upsurge in the second half largely thanks to loss elimination in North America. Lex also considers the figures from **Consolidated Gold Fields** where attributable *profits, up by 40 per cent, still failed to completely satisfy the* market as share dealing profits are not as high as was expected. Elsewhere footwear retailer **Hiltons** has benefited from a sharp increase in profits while **Peachey Property** reveals half time figures.

● comment

The Class I circular to be published next week in connection with the £12m Park West *sale is likely to show cash* resources, before a lowish capital gains tax liability, of some £5m. That will be applied to the industrial property and office refurbishment sectors but it is a measure of Peachey's new found confidence after all the traumas over recent years that it intends to raise fresh capital for further investment. The method and timing of the mooted funding is as yet *uncertain but, if a rights issue is* considered, shareholders can take comfort from the fact that the price, unchanged yesterday at 118p, is supported by net *worth of 132p per share. More*over, a trading property portfolio switch to investment status would release a deferred tax balance of around £4.7m which *would boost the asset backing* to about 155p per share. In the meantime, the group has very nearly achieved *its aim of paying* an unchanged interim dividend *from rental income since only* some £30,000 stems from the trading portfolio.

Freddie Mansfield

A half-year of progress for Lord Erroll, chairman of Consolidated Gold Fields: the group pushed up attributable profits by 40 per cent.

Bridon jumps to £17.11m on good overseas results

BETTER-than-expected profits are reported by **Bridon**, the wire, plastic products and engineering group. The taxable surplus for 1978 jumped from £11.61m to £17.11m on turnover ahead from £275.13m to £288.65m. The Board says prospects for 1979 are encouraging.

At halfway, the directors reported profits down from £8.76m to £7.59m. They then expected second-half profits to be depressed although they said it seemed probable that the full-year results would show some improvement over 1977.

The group now says profits were boosted by some of the benefits of the rationalisation coming through quicker than anticipated, and by a considerable improvement in overseas profitability.

But profitability of the UK principal products further deteriorated. This has caused some concern but management is optimistic the trend will be reversed in the forseeable future.

UK total profits were up from £8.37m to £9.13m but the contribution from principal products fell from £4.83m to £4.13m. On the other hand, the overseas profits jumped from £7.36m to £12.66m. The bulk of the increase came from the Americas where profit leapt from £1.14m to £6.12m. These figures include associate profits.

Group taxable profit was struck after interest charges up from £4.11m to £4.67m and an *exceptional credit this time of £1.5m.*

Tax takes £7.18m, against £6.8m, minorities £531,000, compared with a £873,000 loss, and there was an extraordinary debit *last time of £3.08m.*

After these items the attributable profit comes out much higher at £9.4m, against £2.6m.

Stated earnings per 25p share, *before* extraordinary items, are up from 10.52p to 17.28p. The second interim of 4.5596p net lifts the total from 6.143p to 6.8596p.

See Lex

Underwriting loss of £4.9m puts brake on Sun Alliance

POOR UNDERWRITING results put a brake on the profit growth of the **Sun Alliance and London Insurance Group.**

A £4.9m loss was suffered last year on underwriting, against a profit of £1.1m. This largely offset the 13 per cent jump in investment *income from £52.8m to* £59.8m, and the higher long-term insurance profits at £4m, against £3.2m. Pre-tax profits advanced by only 3 per cent from £57.7m *to £59.5m.* The tax charge was marginally higher at £26.1m, so that shareholders' profits were 4 per cent higher at £33.1m, compared with £31.9m. Stated earn*ings per share were 67.06p*, against 64.66p.

A final dividend of 11.505p per share, payable on July 6, lifts the total, with the appropriate tax credit, to 33.59p per share, compared with 30.537p, the maximum possible.

Premium income on world-*wide general business* increased by 11.9 per cent in sterling terms—from £465.5m to £520.7m. The underlying growth rate, excluding the effect of exchange rates changes was 13.9 per cent. The underlying growth in investment income was 15.5 per cent.

The underwriting result was caused primarily by the severe weather in the UK at the beginning of the year. It cost the group £8.5m and resulted in an underwriting loss for UK and Ireland of £4.6m, against a £3.1m profit.

Despite a poor start to the year, the Home fire account produced a reasonably satisfactory profit. But there was a substantial loss on the Home personal account, while the Home motor and Home accident accounts were also unprofitable. The 1976 marine, aviation and transport account was closed with a £1.5m profit.

The underwriting loss in the rest of Europe was reduced from £5.6m to £3.4m, with significantly better results in Holland. There was, however, a large loss in Germany. An underwriting profit of £2.5m against £0.2m, was produced *in the U.S.*, after better results in most classes. In Canada the property and automobile results were profitable. There was only a small drop in underwriting profits in Australia from £1.6m to £1.3m, derived mostly from workers' compensation. Underwriting conditions in other classes continued to deteriorate.

See Lex

Inflation accounts loss for Inveresk

On a CCA basis, **Inveresk Group** made a taxable loss of £476,000 in 1978 compared with a £1.86m profit last time, according to the inflation accounting statement in the annual report.

This was struck after depreciation of £800,000 (£753,000), and cost of sales £550,000 (£275,000 credit), and the gearing adjustment of *£365,000 (£110,000).*

As reported on March 21, there was an historical-cost profit, before tax, of £509,000 against £2.23m after a second *half turnround from a £709,000* surplus to a £192,000 loss.

The directors of this paper, board, packaging and stationery concern said at that stage that most of the group's *operations* had good order books during the first quarter of 1979.

Group fixed assets were up from 9.97m to £12.42m, but net *current assets were lower at* £8.06m, against £11.08m. Working capital increased £2.1m (£2.67m). Net bank borrowings were £7.81m (£2.04m) at the year-end, compared with £2.04m (£2.19m) at the start.

Meeting, Connaught Rooms, WC, April 27. noon.

Dinkie Heel expands to record £0.29m

An increase in taxable profits from £233,212 to a record *£291,646 in 1978 is reported by* **Dinkie Heel Company**, safety toe cap manufacturer.

Turnover rose from £1.08m to £1.37m. Tax took £17,883, against £119,797.

The net final dividend is effectively raised from 0.13873p to 0.36p, making 0.5p (0.26007p adjusted)—Treasury consent is being sought. The directors say it is possible to show dividend cover is at least as good as the highest level since current controls began.

Lyon & Lyon picks up

Following the midway down*turn in profits*, **Lyon and Lyon** made some recovery in the second half of 1978, but finished the year with pre-tax surplus lower at £621,527, compared with £635,526 *last time.* Turnover rose from £6.17m to £7.11m.

When reporting first-half profits down from £339,642 to £243,824, the directors forecast that the full year result would not materially differ from the 1977 record level.

After a much reduced full-year tax charge of *£6,300* (£212,360) and extraordinary debits, attributable profits for 1978 increased from £373,765 to £612,480.

Stated earnings per 25p share were higher at 18.77p (12.9p) and the dividend total is kept at 6p net, with a final of 3.5p. Payments absorb £201,240 (same).

The group's interests are in motor vehicle distribution and repairing, transport, and shipbuilding and shiprepairing.

Carrington Viyella pulls ahead after poor start

AFTER A poor start to the year profits of Carrington Viyella *have picked up and Mr. L. Regan*, chairman, is looking for some improvement in the group's result for the first half of 1979.

Speaking at yesterday's AGM the chairman confirmed that the effect of strikes and adverse weather conditions on profits in January was severe but trading and profits since then had returned to a more acceptable level.

He reported that the forward order position of UK companies was *much higher than a year ago* and despite the difficulties in January export sales from the UK in February were up on those of the same month in 1978.

Commenting on the overseas interests Mr. Regan said that sales and profits to date of the associate in Canada were extremely good and the South African company was maintaining its performance. There had been some improvement in two of the Italian companies.

Summing up the chairman said that the improved order book together with favourable opinions from major customers relating to the year's trading prospects, suggested that despite the poor January "we could look for some improvement in profits for *the first half of the year . . .* and that there are no obvious grounds for pessimism when contemplating the outcome for 1979 in total."

Heavy voting in Lonrho poll

Lonrho said yesterday that *there had been a substantial poll* to decide on **Gulf Fisheries'** attempt to put two of its own representatives on the group's Board. The result is expected today.

Seventy people from Peat, Marwick, Mitchell and Co. and Mann Judd, the joint scrutineers, were working through the night to count the votes which will decide whether existing Board members Mr. Paul Spicer and Mr. Philip Tarsh will have to give way to Mr. Thomas Ferguson and Mr. Ewan McDonald, *the Gulf nominees.*

The scrutineers worked in two shifts of 35 people each, working in 14 rooms full of boxes of proxy votes.

However, only seven people turned up in person on the day. The postal voting had been affected by the postal strike and some shareholders had only recently received their proxy cards. The effect of the strike has been patchy.

"Shareholders in Shropshire have in some cases received their cards well before others in West London," *said Mr. Paul Spicer*, one of the directors of Lonrho whose position has been put at risk.

Neither side was willing to predict the result yesterday. The Board has the 26m votes of Mr. "Tiny" Rowland, the chief executive, while Gulf Fisheries has 41.9m votes. The result will depend on the views of the many thousands of private shareholders. They have previously been loyal to the Lonrho Board and to Mr. Rowland in particular.

Southampton IoW lifts profits and dividend

PROFITS of the **Southampton Isle of Wight and South of England Royal Mail Steam Packet Company** more than doubled from £486,777 to £1.09m in the year ended December 31, 1978.

The profit is struck after £156,346 (£4,762) surplus on disposal of a ship and other assets and includes £67,126 (£13,456) interest and dividends received. *Tax charge is £572,064 against* £255,488.

Treasury permission has been granted for the payment of a final dividend of 7.75p raising the total from 8.935p to 11.25p per 50p share.

WINDINGS-UP RESCINDED

Orders for the compulsory winding up of **Worfield Construction**, made on March 19, and **Saffron Hair Design**, on April 2, have been rescinded in the High Court. Both petitions were dismissed with consent of the petitioning creditors.

Blantyre Tea falls to £0.74m

A sharp fall in taxable profits, down from £1.7m to £738,063, is reported by **Blantyre Tea Holdings** for the year to September 30, 1978. Turnover was lower at £1.72m, against £2.76m.

Tax took £404,962 (£969,254), of which £349,358 (£828,201) was *overseas. The net total dividend* is cut from 12.5p to 6p, with a final of 4p—the £1 shares were divided into 25p shares on December 11.

Stated earnings are 69.7p (152.2p) on a net basis, and 69.7p (166.2p) on a nil basis.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Cons. Gold Fields ...int.	3.51	May 31	3.2	—	9.2
Blantyre Tea	4	May 17	8.75	6	12.5
Bridon ...2nd int.	4.56	May 31	3.84	6.86	6.14
Burns-Anderson ...int.	0.22	May 16	0.2*	—	0.51*
Chersonese Ests. 2nd int.	1	June 4	1†	1.4	1.375*
Dinkie Heel	0.36	July 2	0.14*	0.5	0.26*
Hiltons Footwear	4.15	June 1	3.7	5.45	4.86
IOW Steam	7.75	May 23	5.81	11.25	8.94
Lyon and Lyon	3.5	May 15	3.5	6	6
Peachey Property ...int.	1	May 21	1	—	2
Peters Stores ...int.	1	May 31	1	—	2
Transatlantic Tst.	12	April 27	11	12	11
Phoenix Assurance	6.45	July 2	5.77	11.56	10.44
Sun Alliance	11.5	July 6	—	22.51	—

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

Phoenix net earnings drop £1.2m to £22.9m

HIGHER TAX charges, larger minority interests and a deteriorating underwriting position resulted in net profits of Phoenix Assurance Company declining in 1978 from £24.1m to £22.9m. Earnings per share were down at 38p compared with 40.2p in 1977.

A final dividend of 6.445p per share is being recommended. With the interim dividend of 5.112p and the available tax credits, the 1978 payment is 10 per cent higher than the total dividends for 1977 as adjusted by the supplementary interim dividend.

Premium income on general insurance business rose by 4.5 per cent from £323m to £337.6m. But after adjusting for currency fluctuations and the non-consolidation of a former subsidiary, the real underlying premium growth was 8.8 per cent.

An underwriting loss of £2.7m was recorded in 1978, against a £1m deficit in 1977. In the UK and Ireland, the deterioration was from a loss of £3.2m in 1977 to £4.3m in 1978, this increase in the UK coming from the home fire and accident account. Here adverse weather was largely responsible for losses in both motor and household business and with problems of under-insurance, the underwriting loss nearly doubled to £3.2m against £1.7m in 1977.

A heavy underwriting loss was also recorded in the rest of Europe amounting to £3.5m (£1.1m). However, business in Denmark remained profitable, but at a lower rate than previously because of adverse motor results.

In the U.S., the overall underwriting profit improved substantially from £1.3m to £2.4m, the operating ratio dropping from 96.6 per cent to 94.8 per cent. There was a return to underwriting losses in Australia, but Canada and other overseas territories were generally profitable.

Investment income improved by 10 per cent from £35.9m to £39.5m, the real growth allowing for exchange fluctuation being 14 per cent. This resulted in pre-tax profits advancing by 4.7 per cent from £35.9m to £37.6m. But a tax charge of £11.9m against £9.4m in 1977 and minority interests up by £0.4m to £2.8m left a lower net profit.

A higher rate of reversionary bonus on with-profits contracts has been declared by the company. The new rate for 1978 is £5.25 per cent of the sum assured against £5 per cent previously. The interim bonus rate will be at this new level. The terminal bonus rate payable on death or maturity claims is also improved to £1 per cent of the sum assured for each year prior to 1969. The previous rate was £0.75 per cent.

See Lex

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims—Burgess Products, Mitchell Cotts, Startrite Engineering.

Finals—Bowater, British Printing, Brown Boveri Kent, Cadbury Schweppes, Carron, De Vere Hotels and Restaurants, East Rand Consolidated, Grampian Holdings, Guest Keen and Nettlefords, Ladbroke, F. J. C. Lilley, London Brick, Morgan Crucible, William Morrison Supermarkets, Ofrex, Henry Sykes, Taylor Woodrow.

FUTURE DATES

Interims—

Dowding and Mills	Apr. 28
London and Provincial Shop Centres	May 9

Finals—

Babcock and Wilcox	Apr. 11
Bodycote International	Apr. 24
British Home Stores	Apr. 30
Brooke Watson	Apr. 6
Clifford (Charles)	Apr. 10
Dares Estates	Apr. 9
Hopkinsons Holdings	Apr. 25
Mettoy	Apr. 10
Municipal Properties	Apr. 10
Oil Exploration	Apr. 12
Porrals	Apr. 11
Sindall (Wm.)	Apr. 11

Freddie Mansfield

Sir Adrian Cadbury, Cadbury-Schweppes chairman, inspects a batch of the 200m cream-filled Easter eggs the group produces between January and Easter. 1978 results due today.

Hiltons Footwear rises 46% despite second half slowdown

SECOND HALF profits of Hiltons Footwear the footwear retailing concern showed a rise of 33.7 per cent to £1.19m taking the total for the year ended January 28, 1979, up to £1.6m, an increase of 46 per cent on the previous year.

In the first six months profits jumped by over 98 per cent to £407,835. At the interim stage the directors said that the second half result would be against increased figures for the same period of the previous year and while trade continued to improve they said that it was clear that profits for the full year would not show the same proportionate increase as had been achieved in the first half.

With Treasury permission the dividend total is increased to 5.45p (4.855p), with a final of 4.15p. A one-for-two scrip issue is also proposed.

After tax of £677,875 (£268,160), the net profit comes through at £919,250 against £828,724. Comparative figures have been restated for the new policy of stock appreciation relief. There is an extraordinary net credit this time of £895,977 being the surplus on the sale of a shop.

A professional revaluation of the group's freehold properties has revealed a surplus over book value of £2.87m which has been added to reserves.

● comment

Hilton's full-year results do not contain any surprises. Sales over the period reflect a small volume gain—much in line with the national increase in shoe sales—although the second half performance suggests a somewhat lower rate of growth than in the first six months. Apart from the benefits of increased volume, profits, which are 46 per cent higher, reflect a sharp increase in investment income. This derives from the improved cash flow but it appears that Hiltons does not intend to use its extra cash to increase the trading base very much during 1979. There are plans for only three new stores this year (bringing the total to 178). The severe winter has depressed trading to a greater extent than usual and Hiltons is clearly taking a cautious view of consumer spending over the rest of the year. At 140p the shares are on a p/e of 6 while the yield is 6 per cent, compared with 6 and 3.6 per cent respectively for George Oliver.

Moorgate and Mercantile to write off £1.5m deficit

AS A PRELUDE to the resumption of dividends, Moorgate and Mercantile Holdings, one of the first fringe banks to hit financial trouble as a result of the secondary banking collapse, proposes to write off its accumulated profit and loss deficit which stood at £1.52m at March 31, 1978.

This is to be substantially achieved by cancelling the share premium account which now stands at £1.36m. The remainder of the deficiency would be met out of profits of the year ended March 31, 1979. In 1977/78 there was a profit of £210,025 which was in line with forecast. It compared with £124,583 for the previous 18 months.

In a letter to shareholders Mr. Julius Silman, chairman, says that the improvement has been maintained in 1978/79. However, he considers that as a preliminary to a resumption of dividends the adverse balance on profit and loss should be eliminated. The last dividend was 0.5p net for 1972/73 in which year the group slumped into losses of £1.8m.

A special resolution in respect of the cancellation will be put to an EGM on April 26, 1979. Subject to it being passed it is hoped that Court confirmation would be obtained before the accounts for 1978/79 are published.

Moorgate became insolvent in December 1974. Mr. Rupert Nicholson, of Peat Marwick Mitchell, was appointed as special manager in March of that year after several rescue efforts had failed. For the next three years Mr. Nicholson ran the company's affairs under a scheme of arrangement. The scheme ended in March 1977 and the group's listing was subsequently restored on September 5, 1977.

Burns-Anderson forecasts big increase

Pre-tax profits of Burns-Anderson increased from £257,000 to £293,000 in the half-year to December 31, 1978, on higher turnover of £11.31m against £9.5m.

The directors say turnover continues at a high level, and they expect the full year will produce a significant increase over the previous period, when the surplus was £620,920.

The net interim dividend is effectively raised from 0.2p to 0.22p—last year's total payment was equivalent to 0.8095p. There is again no tax charge.

The company has interests in building development, motor vehicle distribution, property investment and shopfitting.

Bath & Portland Iran deal well insured

THERE was no [illegible] Bath and Portland group making a loss on its £100m Iran road-building contract, Sir Kenneth Selby, the chairman, told the annual meeting in Bath.

Either the project, which was two-thirds complete, would restart under the auspices of the new Iranian authorities or payment would be sought from the contract insurers.

"Either way the eventual outcome will not be a loss. The measure of our profit will be the speed with which a decision can be made," he said.

The value of the road contract, being executed by the group's Marples Ridgway subsidiary, was 90 per cent covered by the Export Credit Guarantee Department, and the group had set aside a special reserve of £3.5m to meet uncovered eventualities.

Sir Kenneth revealed the group had just received £1.2m in local currency from the Iran Ministry of Roads in payment, but for the time being they were unable to repatriate the sum because of foreign exchange controls. Overall, the company was owed £18m on work so far completed and had £37m worth of assets in Iran at present.

During a recent visit by a Marples Ridgway director, senior government officials indicated instructions to resume work on the 190-mile road could be forthcoming. But, Sir Kenneth stressed, a decision to restart would depend on the conditions and full acceptance by insurers of any start-up scheme.

In the meantime, he warned shareholders, they "would not like" the group's first half-year figures to April 30. This was because the cost of keeping staff and facilities in Iran on an unproductive care and maintenance basis was costly.

A vote of confidence in the Board's handling of the group's Iranian difficulties was passed at the meeting without dissent.

Commenting on the group's home-based activities the chairman forecast improved profits from minerals, agriculture and engineering and said that the financing of these activities would call for less borrowing. In the last financial year, these activities increased their profit contribution from £2.7m to £2.9m.

ICI DIVIDEND

Warrants for the Imperial Chemical Industries' ordinary dividend have been delayed by the unofficial action being taken by Post Office workers.

Because of the action the Post Office is refusing bulk postings, including warrants for ICI's ordinary dividend, payable on April 5.

The company adds the warrants will be posted as soon as possible. Dividends paid into stockholders' accounts through the banks' bulk distribution system are unaffected.

Macpherson starts well

Despite the recent bout of industrial unrest which affected deliveries, rising raw material costs and bad weather the Donald Macpherson Group had started the current year well, Mr. Rex Chester, the chairman, said at the annual meeting.

All parts of the group's business had shown real resilience and strength, he added, including the recoup of lost deliveries of Cover Plus to Woolworth's, hit by the lorry drivers' strike.

The chairman was confident that 1979 would bring further growth for the company.

For the year ended October 29, 1978, the group, which manufactures paint and other surface coatings, reported record pre-tax profits of £4.08m (£3.04m) on £65.49m (£55.73m) sales.

Transatlantic Trust ahead to £0.14m

Profits before tax of Transatlantic Market Trust advanced from £137,794 to £142,820 in the year to March 8 1979. The dividend is being raised from 11p to 12p net.

After Jersey tax of £26,564 (£27,559) and equalisation payments, attributable profit comes out at £127,790, against £83,899.

As usual no interim dividend will be paid.

Emray set for increase

THE CURRENT year at Emray is showing a satisfactory start against higher profit plans, says Mr. David Eldridge, the chairman, in his annual statement.

He explains that as an industrial holding company, it is actively pursuing its policy to add to existing profitable operations and promote steady growth in its established areas.

As reported on March 29, pre-tax profit for 1978 was £152,136 on turnover of £2.95m. However, no meaningful comparison of activities can be ascertained from 1977 figures—profit of £135,601 on £1.91m turnover—in view of the complete change of group structure.

The company's retail motor subsidiary—main Vauxhall/Bedford dealership—had a record year and the newly formed subsidiary, Stop-A-Flat has already made a contribution to overall results.

In order that the company may commence dividends at some future date, a special resolution will be put at the A.G.M. to reduce its share premium account from £78,302 to £14,392. This action if approved will effectively extinguish the accumulated deficit of £83,910 at 1978 year-end.

Following the A.G.M., Mr. Eldridge is to hand over the chairmanship to Mr. Lionel P. Altman, the managing director, but will stand for re-election as a director.

At March 27, Rosano A.G. held 17.86 per cent of the issued capital.

Meeting, 61, Grosvenor Street, W., April 27, 10 am.

RESULTS AND ACCOUNTS IN BRIEF

LONDON INTERNATIONAL TRUST—Loss year ended September 30, 1978, £37,713 (£5,989). It was struck after providing £38,938 (£4,500) for costs as plaintiff and the defendant's estimated costs in the litigation against Barclay's Bank. Judgment was given, with costs, in favour of Barclays. There is again no dividend, and no tax charge. The los per share 3.77p (0.6p).

INVESTING IN SUCCESS EQUITIES (investment trust)—Net current assets £2.77m (£0.28m). Net asset value per 25p share 242.21p (169.01p). Investments at market valuation £16.02m (£13.93m) overseas £8.96m (£4.95m). Increase in liquidity £2.47m (£60,000).

NORTH BRITISH CANADIAN INVESTMENT—Final dividend 2.05p making 3.3p year ended February 28, 1979 (2.7p). Gross revenue £428,014 (£354,302). Earnings per share 3.63p (2.94p). Net asset value 103.8p (69.5p).

BLAGDEN AND NOAKES (HOLDINGS) (plastics, chemicals, packaging)—Results for 1978 already known. Fixed assets £8.89m (£7.37m), net current assets £10.16m (£9.92m). Pre-tax profit £4.96m (£4.36m) reduced on CCA basis to £3.5m (£3.05m) after extra depreciation £1.11m (£0.89m), cost of sales £0.59m (£0.68m), and gearing factor £0.25m (£0.27m). Increase in liquidity £42,000 (£1.22m). Britannic cent of equity, Rheem International 8.5 per cent. Directors anticipate improved turnover and profits and will continue to make substantial investments in plant and equipment. Meeting, Connaught Rooms, WC, April 19, noon.

BERADIN RUBBER—Turnover for year to September 30, 1978, £743,152 (£771,186). Pre-tax profit £340,812 (£368,880). Tax £182,100 (£204,350). Extraord'nary credit £5,879 (£220). Earnings per 5p share 5.01p (5.52p). Final 1.5p making 3.0p (same), payable April 23.

NEEDLERS (sugar and chocolate based confectionary maker)—Results for 1978 reported March 9 with prospects. Fixed assets £1,125,455 (£592,107), net current assets £1,031,429 (£723,369). Net liquid funds decreased by £75,000 (£1.05m increase). Meeting, Hull, April 24, noon.

HALL-THERMOTANK (ultimate holding company is APV Holdings)—1978 turnover £81,744,000 (£75,648,000), profit £4,393,000 (£3,957,000) before tax £1,779,000 (£1,185,000).

T. F. AND J. H. BRAIME (HOLDINGS) (deep drawn press work specialist)—Results for 1978 reported February 28. Group fixed assets £279,152 (£291,374), net current assets £1,122,131 (£908,217). Working capital increased by £193,723 (£236,391). Chairman says the board will pursue its policy of investing heavily in new plant. The company has "close" status. Meeting, Leeds, April 12, 3.15 pm.

SCOTTISH EASTERN INVESTMENT TRUST—Results for January 31, 1979 year already known. Listed investments at market value, in UK, £54.6m (£50.01m), abroad £42.01m (£31.03m), unlisted at directors' valuation £1.48m (£0.82m), cash on deposit £6.33m (£6.84m). Current assets £419,113 (£270,197), liabilities £2.49m (£2.31m). Liquid funds decreased by £314,000 (£2.99m increase). Prudential Assurance Company holds 6.02 per cent of equity. Meeting, Edinburgh, April 23, 12.30 pm.

WATMOUGHS (printers etc.)—Results for 1978 already reported. Fixed assets, £5.48m (£4.14m). Net current liabilities, £619,065 (£750,760). Chairman says group is encouraged by continuing demand for services. Meeting, Horsforth, nr. Leeds, April 25 at noon.

Britannic investment in equities tops £27m

LAST YEAR was a difficult year for equity investment, Mr. John Jefferson says in his chairman's statement for 1978 accompanying the report and accounts of **Britannic Assurance.**

The company was often unable to invest in the shares it wanted as there was a scarcity of offers, particularly in the medium-sized companies—shares which Britannic prefers.

Nevertheless, Mr. Jefferson reports that the company invested £27.4m in equities last year, the majority of its new money, including £3.1m by way of rights issues. Only £8.5m was invested in gilts and another £4.5m in other fixed interest stocks. A further £3.7m net was advanced under the house-purchase scheme.

At the end of 1978, the portfolio was spread £59m in gilts, £73m in other fixed interest securities, £71m in mortgages and loans, £178m in equities and £8m in property.

Mr. Jefferson points out that the company has for many years been closely involved with the companies whose shares were held in the portfolio. Britannic held 5 or more per cent of the equity of 77 companies and over the past five years, the investment manager had visited nearly all of these. Such visits had been well received and many company chairmen had expressed their appreciation of the useful discussion which had resulted from the development of these personal contacts.

During 1978, premium income in the ordinary branch rose by 12 per cent to £14.2m and by nearly 15 per cent to £44.7m in the industrial branch. Investment income advanced by over 14 per cent to £13.9m in the ordinary branch and by 16 per cent to £25.2m in the industrial branch. The ordinary long-term fund rose by £11m over the year to £123m and the industrial fund by £24m to £224m.

Mr. Jefferson expressed his pleasure at the faster growth rate in the ordinary branch with a 40 per cent rise in the level of new premiums. But an unsatisfactory feature was the rise in expense ratios in both branches after being held steady in 1977. These ratios were 45.87 in the industrial branch and 26.15 in the ordinary branch.

There was a disappointing result in the general branch where an underwriting loss of £714,000 was reported on premium income up by £1.4m to £7.4m. An amount of £481,000 was lost on the motor account and a loss of £297,000 on the property account, the storm and flood damage in the early part of the year being a significant factor. The operating profit on the general branch was only £3,000.

Higher transfers from both long term funds — £1.12m from the industrial branch and £690,000 from the ordinary branch — resulted in the profit for the year rising slightly from £1.86m to £1.93m. Total dividend payments amounted to £1.95m against £1.76m in 1977.

Titaghur sees smaller loss

MR. H. J. SILVERTON, chairman of **Titaghur Jute Factory Company,** says he is hopeful that the current year's working in India will result in a smaller loss compared with the two preceding years, while in the UK it seems likely that profits will fall well short of those of 1977/78.

But for a strike, increased wages, and continuous shortage of electricity, prospects for 1978/79 for the jute mills would have been good. The chairman says that while during part of the year profits have been made it is not expected that the year's working will result in a surplus.

Due to floods in West Bengal, production had to be stopped at the company's mill at Titaghur for a week. Stocks are fully insured, however, against flood damage and the insurers have settled promptly the substantial claims made on them. Current year's results will benefit from compensation received from the Indian government for the acquisition of land at Titaghur.

Given an adequate supply of power for the last four months of the current year the directors hope that the loss will show a reduction.

As regards the UK operations the chairman reports that these have been experiencing production problems since the start of the current year and the level of profitability has been sharply reduced.

As reported, the loss, before tax, for the year ended June 30, 1978, was reduced from £2m to £1.26m. As in previous years the accounts have been prepared on the usual going concern basis. On the guarantees of Thomas Duff and Co. (India) the State Bank of India continues to provide adequate finance for working capital and the overdraft limits for the group have recently been increased. The directors are satisfied that sufficient finance is available to enable the group to continue its operations and meet its commitments in India.

It is proposed to increase the borrowing power from three to four times the company's capital which would lift the limit from £5.68m to £7.57m. At June 30, 1978, overdrafts stood at £3.52m.

An EGM is to be held after the AGM on April 27 to empower the directors to transfer management and control of the company to India, at a date to be determined. Application in this respect was made to the UK Treasury in September 1978 but as yet no consent has been received.

Advance for Peters Stores

TAXABLE profits of **Peters Stores** rose from £384,363 to £413,796 in the half year to December 23, 1978, on turnover ahead from £3.35m to £3.87m. Last year's pre-tax surplus totalled £435,052 on £6.06m turnover.

The directors say the first-half historically gives the bulk of the year's profits. They add that the first quarter of 1979 was affected by the severe weather.

After tax of £210,000 (£224,000) stated earnings per 10p share are up from 5p to 6.3p. The interim dividend is pegged at 1p net—last year's total payout was 2p.

Certain directors have waived their interim rights on 1,342,632 shares.

At the end of the last financial year the directors of the leisure wear retailing group said the year had started well. They forecast that if the trend continued and Christmas trade were up to expectations the company would show a further profits increase.

M & S shows 58% midyear rise in Canada

Marks and Spencer's 58.5 per cent-owned Canadian subsidiary has reported a 43.4 per cent jump in interim pre-tax profits to Can$ 5,265,000 (£3,780,000) on sales up 14 per cent to Can$ 91,007,000 (£38,038,000).

The figures were released in the UK yesterday following their disclosure in Canada earlier this week. Performance is reported on a quarterly basis in Canada and results are made known to the UK stock exchange. However it is the first time that they have been widely circulated to the investing public.

The main factor in the strong profit growth was a drop in losses made by the stores division. Losses in the six months to January 31 were half those of the same period a year ago. The other divisions showed a good growth in profits.

Foreign exchange gains were nil compared with C$ 1,283,000 (£536,256) a year ago; tax was C$2,302,000 (£962,167) against C$ 1,421,000 (£593,935) a year ago and there was an extraordinary credit of C$ 2,250,000 (£940,433). Last year there was a credit of C$454,000 (£189,758).

Fully diluted earnings are shown at 57 cents (43 cents) before extraordinary items, and C$ 1 (57 cents) after the same.

A breakdown of sales and earnings (in C$ 000) shows: Marks and Spencer 44,245 (39,688) and 847 loss (1,601 loss), Peoples 31,149 (28,397) and 2,989 (2,578), and D'Allard's 15,613 (11,787) and 3,123 (1,405).

CITY OFFICES

City Offices Company has received Treasury consent under the cover provisions for the payment of the dividends announced on February 22.

The net total of 2.84p is covered 1.61 times by 1978 earnings of 4.56p.

Common Bros. considers bid

THE BOARD of **Common Brothers,** the ship owning, services and insurance broking group, was yesterday considering the £6m cash bid from **British and Commonwealth Shipping Company** announced on Tuesday evening.

B and C announced its 200p per share offer after it had acquired 530,000 shares, nearly 18 per cent of Common Brothers equity, from Gosforth Industrial Holdings (the old Swan Hunter group).

Because Menteith Investment Trust, a subsidiary of B and C, already held 488,000 shares of Common, B and C's stake was increased to 33.8 per cent by the purchase.

Under the City Code on takeovers B and C was then obliged to make an offer for the balance of the capital of Common. The price that B and C is offering Common shareholders is the price it paid for the Gosforth stake.

The results from Common, the year ending June 30, 1978, which were incorrectly stated in later editions of yesterday's Financial Times, were taxable profits of £2.08m compared with a loss of £564,000.

Group trading profits had shown a reduction from £569,000 to £253,000 but profits at the pre-tax level had been boosted by a £2.55m surplus on ship sales.

On the stockmarket yesterday Common Brothers shares fell 8p to 212p, which valued the group at £6.4m.

Argus Press selling three subsidiaries

Argus Press Holdings, through its subsidiary **Tridant Group Printers,** has reached agreement to sell Shaw and Sons, Lewis Coates and Lucas, and Holbrook and Gration, subject to contract, to a major financial, legal and commercial printer who intends to continue and develop the businesses on the existing premises.

Last month, Argus was prevented from selling these subsidiaries to the former chairman of Tridant, Mr. Remo Dipre. Shareholders voted against the sale to Mr. Dipre at an unusual meeting called on the instructions of the Takeover Panel.

Heywood Williams still expects £1m

BUILDING MATERIALS group **Heywood Williams** has repeated its forecast that pre-tax profits for its financial year ending April 30, 1979, "will be in the region of £1m."

The group also indicated that it expected to make the announcement of its results "early in July."

The statement is made in a circular detailing the group's disposal of certain of its South African interests, which have been loss-making.

The group's chairman, Mr. Douglas Oliphant, says in the circular "included in our figures for the year to April 30, 1978 was a loss in South Africa of £55,000. In the six months to October 29, 1979 the loss was £30,000. It is anticipated that the loss in South Africa for the year to April 30, 1979, will exceed £100,000."

He adds, "furthermore, having regard to available budget information I feel that a loss of between £150,000 and £200,000 in South Africa for the year to April 30, 1980, is a distinct possibility."

He explains that the problems in South Africa are due to the depressed building industry "because of both external and local political pressures." Unless action is taken "now to dispose of our South African interests, similar problems could arise to those experienced in relation to the former architectural products division in the UK, the reorganisation of which resulted in severe losses."

Heywood is selling all its South African operational assets (other than factory premises in Cape Town, Durban and Johannesburg) for a net consideration of £147,058 to Mr. A. G. Jooste, the managing director of Heywood's South African companies.

After the reorganisation South Africa should produce pre-tax profits of £74,568 for the year ending April 30, 1980, compared with anticipated losses of between £150,000 to £200,000.

An extraordinary general meeting of shareholders to approve the proposal will take place on April 27.

Audiotronic board row settled out of court

Mr. Derek Smith, the former managing director of **Audiotronic Holdings,** which includes the Lasky electrical retail chain, has settled his legal row with the company "amicably out of court."

But a brief statement from the company last night gave no indication of what settlement was involved.

It was last December that details of a Board row emerged at Audiotronic, which is headed by Mr. Geoffrey Rose.

The Audiotronic Board announced that Mr. Smith, who had been managing director of Audiotronic since its formation in 1972 by the merger of Lasky and G. W. Smith, had ceased to be managing director in November.

It was reported that Mr. Smith was planning to serve a writ on Audiotronic for wrongful dismissal.

QUEENS GATE PROPERTY SALE

Queens Gate Holdings, a wholly-owned subsidiary of Apex Properties—is selling two leasehold blocks of flats for £579,600 cash. The book value of these properties is £234,000.

Income from the properties has made no contribution to profit for past two years, the directors say.

Brooke Tool makes another purchase

Brooke Tool Engineering, following a policy of expansion through acquisition, has purchased **Marsh Brothers Tools,** a subsidiary of Samuel Osborn which itself was taken over by Aurora Holding last year.

The £120,000 purchase price has been met through the issue of 250,000 shares which increases the company's equity by 6 per cent. Only last summer Brooke raised nearly £600,000 by way of a rights issue but yesterday Mr. R. A. Brook, a director, said that the company wanted to keep cash in reserve against increases in borrowings and further acquisitions.

In February Brooke paid £200,000 for Strongs British Precision Tools.

Two months earlier Mr. Graham - Ferguson Lacey announced a 23 per cent holding in Brooke, largely acquired from Menteith Investment Trust, part of British and Commonwealth Shipping. He does not have a seat on the Board.

BRITTAINS

A statement can be expected within a month from Brittains, the industrial holding company whose shares were suspended on the market in January, and whose paper making subsidiary is in the hands of Receivers.

Meanwhile, Mr. K. R. Latchford, the chairman, has retired and his place will be taken by Mr. J. M. Jackson, who will be a part-time non-executive chairman.

The latest published figures, to June last, show a collapse of profits to £205,000 but at the time Mr. Latchford said he expected the second half to show some improvement.

DP BUREAUX MERGER PLAN

United Computing International and Atkins On-Line, could become sister service bureau companies in the UK and Europe.

The two companies' patent organisations have announced an agreement in principle for United Telecommunications Inv. to acquire On-Line Systems Inc.

Under the agreement, which is subject to the approval of On-Line Systems' stockholders United Telecommunications would issue 1.20 shares of common stock for each share of On-Line Systems' common stock. About 1.835m shares of United Telecommunications' common stock, currently valued at about $34.7m, would be issued in exchange for the On-Line Systems shares.

ALLTRANSPORT SELLS OFFSHOOT

Howe (European), the Enfield international haulage contractor, has been sold to the Aston Clinton Haulage company of Aylesbury by **Alltransport International** for a six figure sum.

The money obtained from the sale will be re-invested by Alltransport in further developing and expanding services and facilities. Also negotiations are currently taking place for Alltransport to acquire further substantial freight forwarding interests.

CEMENT-ROADSTONE

The rights issue by **Cement-Roadstone Holdings** has been 93 per cent taken up, amounting to 31.88m new ordinary shares of 25p.

The 2.4m new shares not taken up have been sold at a net premium, after expenses, of approximately 12p per share. Provisional allottees who did not take up their rights will receive this premium, except that no payment will be made for any amount less than £1.

SHARE STAKES

Cattle's (Holdings): Mr. R. Waudby, a director, has bought 10,000 shares beneficial and Mr. A. N. Collier, director, 5,000 shares beneficial. Mr. Waudby and Mr. Collier jointly own 75,000 shares non-beneficially and Mr. Waudby and Mr. W. Beech jointly own 25,000 shares non-beneficially.

Decca: Group sold 135,000 Management Agency and Music shares on April 2 and is now interested in 366,000 shares.

Saint Piran: Gasco Investments together with their subsidiaries now hold 1.13m shares in Saint Piran (9.7 per cent).

Gold Fields fails to meet market hopes

BY KENNETH MARSTON, MINING EDITOR

DISAPPOINTING HALF-YEAR results are announced by London's **Consolidated Gold Fields.** Against sharemarket earnings estimates of 17-18p per share, the mining and industrial group announces an earnings per share figure for the six months to December 31 of 14.48p compared with 11.85p a year ago and a total of 25.15p for 1977.

Following the latest results Gold Fields' shares came back from 224p to 216p. However, the interim dividend is raised by the maximum-permitted 10 per cent to 3.5108p and, while no firm forecast is given, it looks as though total earnings for this year should reach 30p per share.

Earnings on construction materials have shown a good increase but, as already announced by the Amey Roadstone subsidiary, bad weather conditions have been adversely affecting operations in the current half-year. Still doing well on the industrial and commercial side is the U.S. Azcon specialty steel division which reports half-year operating income of $5.49m (£2.66m) against $1.78m a year ago.

	Half-year to 31.12.78 £m's	31.12.77 £m's
Construction materials	18.0	14.6
Ind. and comm.	10.9	7.1
Mining	4.0	8.1
Div. on invests.	9.7	7.0
Realisation of invests.	2.4	2.8
Other revenue	—	0.6
Making	45.0	35.6
Associated companies	8.5	6.6
Profit before interest and tax	53.5	42.2
Interest payable	8.5	8.3
Profit before tax	45.0	33.9
Group tax	19.3	15.0
Assocd companies tax	0.6	0.5
Profit after taxation	25.1	18.4
Outside holders	3.8	3.2
Attributable	21.3	15.2
Earnings per share	14.48p	11.85p

Revenue from South African gold mining has risen in line with the industry's higher dividends which remain on the rising trail. But Gold Fields' sharedealing profits are below expectations in view of last year's livelier conditions in the South African gold sharemarket.

As already reported, the **Renison** tin operation in Tasmania—in which Gold Fields has a beneficial interest of 38 per cent—has boosted earnings of **Consolidated Gold Fields Australia.**

Looking to the current half-year Gold Fields points to the continuing buoyant prices for gold and tin and adds that the underlying business conditions for the construction materials and industrial interests remain sound.

Confidence grows at Hudbay

AFTER three lean years, **Hudson Bay Mining and Smelting,** the Canadian arm of the **Anglo American Corporation** group, is hopeful about the prospects for 1979.

"Despite the economic uncertainties, there have been enough positive developments in the recent past to justify an optimistic view for the year ahead," Mr. Ronald Fraser, the chairman, said in his annual statement.

The positive developments are what Mr. Fraser called the greater awareness of the federal and provincial governments in Canada of the impact of their fiscal policies on the mining industry, and the strengthening of prices for metals, crude oil and natural gas. The copper price, in particular, has climbed dramatically, he noted.

Hudbay has in any case built up its position in the copper industry over the last financial year by the increase of its holdings in **Whitehorse Copper** in Canada to 100 per cent and, with **Minorco,** the Anglo American unit based in Bermuda, the outright ownership of **Inspiration Copper** in the U.S. Further, it has acquired a 37.5 per cent stake in **Tantalum Mining Corporation of Canada.**

The group is studying the possibility of substantial capital expenditure on metallurgical plants at Flin Flon, the hub of the Canadian metals division, and at Inspiration Copper. Hudbay "has sufficient financial strength to undertake the upgrading as well as to pursue new opportunities in the natural resource area," Mr. Fraser said.

Last year net earnings were C$ 5.09m (£2.12m) compared with C$ 4.4m in 1977, when there was also an extraordinary item of C$ 52.7m arising from the sale of the Sylvite potash division in Canada.

This sale clearly contributed to the financial strength of the group and opened the way for its acquisitions of the last year. Hudbay returned to the dividend list last December, after a break of 18 months, with a payment of 10 cents a share.

ROUND-UP

Agip, the Italian group, has signed an agreement with the Zambian Government to explore and develop uranium prospects in the north western and southern provinces of the country. The group will bear all the costs. The agreement provides for the Government to receive at least one-tenth of the value of all uranium produced.

* * *

Israeli diamond exporters will benefit from the reduction of U.S. customs duties on Israeli products. As a result of a recent agreement, Israeli polished diamonds will attract no duty. Before the duty was 4 per cent. Exports last year came to $400m (£193.6m).

* * *

The regional municipality of Sudbury in Ontario, the centre of the Canadian nickel industry, is putting pressure on the Canadian Government to site a new C$100m (£41.7m) uranium refinery for **Eldorado Nuclear,** the state uranium mining and refining corporation, in the area. With 4,000 mining jobs lost in the area of the past two years, the local authorities are stressing the availability over unused resources.

MTD (MANGULA) BOOSTS PROFIT

A sharp rise in net profits for the six months to March is announced today by **MTD (Mangula),** the Rhodesian copper producer controlled by **Messina** of South Africa. The 1978-79 interim dividend is 12 cents (8.4p), four times the interim paid in the last financial year and only 2.0 cents less than the 1977-78 total.

Net income for the period was R$2.96m (£2.07m), compared with R$897,000 in the same period of 1977-78. The Board expects a further improvement in profits during the second half. The shares yesterday were unchanged at 74p.

Alcoa to build new smelter

ALCOA OF AUSTRALIA is considering building a second aluminium smelter in Australia, writes James Forth from Sydney.

It would have an initial capacity of 120,000 tonnes of aluminium metal a year, and, if it proceeds, should be in production by 1983 at a cost of about A$350m (£188.5m).

Alcoa at present is expanding the capacity of its present smelter, in Victoria, from 100,000 tonnes annually to 157,000. This is scheduled for completion by 1981.

The Alcoa proposal brings to five the number of large capital-intensive aluminium smelters under consideration for Australia. A consortium headed by **Comalco** has already decided to build a 183,000 tonne a year smelter in Queensland. **Alumax,** owned by **Amax** of the U.S. and **Mitsui** of Japan, and **Aluminium Pechiney** of France, is considering building smelters in New South Wales, while the Gove consortium in the Northern Territory is examining sites in Queensland or NSW for a smelter.

PAHANG CONSOLIDATED—output of lode tin concentrates produced and sold for March 122 tonnes (February 108 tonnes).

ENGLISH CHINA IN NEW LEISURE DEAL

English China Clays, through its subsidiary **Haven Leisure** (ECC) has exchanged agreements for the purchase of two large holiday parks, Red Triangle Caravan Park, Mullion, Cornwall, and Ty Mawr Caravan Park, Rhyl, North Wales, for around £1.5m. In 1978 Haven Leisure bought three holiday parks for £1.57m.

Red Triangle Caravan Park comprises 300 holiday caravans, together with camping and touring facilities. Ty Mawr has 400 caravans with similar facilities.

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Cummins Engine sees record first quarter

NEW YORK — Cummins Engine Company expects to report first quarter earnings above the record $21.5m or $2.78 a share earned in the corresponding 1977 period, Mr. James A. Henderson, president, told shareholders yesterday.

He said sales would surpass the record $360.4m in last year's first quarter when earnings amounted to $20.8m, equal to $2.47 a share.

Prospects for the remainder of the year are mixed, however, "Cummins' business looks strong through the first half and perhaps into the third quarter if the trucking strike is settled promptly," Mr. Henderson declared, adding "We are less confident about the second half of the year because of uncertainty in the general economy."

Mr. Henderson said the company plans to begin limited production of its new 10-litre engine in late 1978. The 230 to 270 horsepower engine is scheduled for introduction to European and industrial markets in 1981, he added.
Agencies.

Thomson extends Bay bid after Commission hearing

BY JIM RUSK IN TORONTO

THE CLOSING date for the Thomson family bid for Hudson's Bay Company has been extended from Monday to Thursday next week. The extension was announced late on Tuesday night by the chairman of the Ontario Securities Commission, Mr. James C. Baillie, after the Commission held a two-hour hearing and four and a half hours of closed negotiations with lawyers for the Thomson family and for George Weston, the competing bidder for The Bay.

"The extension will provide the opportunity for the Weston offer to be considered by investors and for their advisers to comment upon the relative merits of the two offers," Mr. Baillie said. The hearing was called after Weston suggested to the Commission that the revised Thomson bid was a new bid rather than an alteration of an earlier one and therefore ought to be outstanding for three weeks, rather than one. Otherwise, Bay shareholders to whom the Weston offer was posted yesterday would not have time to consider it properly it was suggested. There are 30,000 Bay shareholders of whom 13,000 to 14,000 are British residents, controlling about 15 per cent of the votes.

At the hearing, Thomson lawyers argued that the family had complied with the provisions of the Ontario Securities Act when, on Monday, it increased its orginal March 1 offer of C$31 a share for 51 per cent of the Bay to C$35 a share for 60 per cent.

The orginal offer was rejected on March 23 by The Bay directors, and on March 28, Weston announced the terms of its C$40 a share offer, after saying on March 26 that it was considering making a bid. The Commission had received complaints from both Weston and fund managers that the timetable, which would see the Thomson bid expire on April 9, just about the time that many Bay shareholders would be first seeing Weston's circular, did not allow investors enough time to exercise proper judgment.

As part of the compromise reached under Commission pressure, Weston withdrew its allegation that the revised Thomson bid was a new bid rather than an amendment to an outstanding offer.

UK discount houses seek foothold in U.S.

By William Hall

RATHER LATE in the day, the UK discount houses are waking up to the fact that London is no longer the only base of the international capital markets. One by one, they are trying to establish a foothold in the fast growing markets in the U.S.

Earlier this week, Gillett Bros., a small London discount house, took a 10 per cent stake in Lombard-Wall International—a New York trader in short term money market securities. This is just the latest in a growing number of deals in which UK discount houses are trying to redress their lack of U.S. exposure.

Although they are well known around the City because of their close relationship with the Bank of England, which acts through them as lender of last resort, the UK discount houses are not so well known in the U.S.

"Some Americans think a discount house is in business to sell cheap lawn mowers rather than Eurodollar certificates of deposit (CDs)," bemoaned one discount house man, recently.

Their lack of U.S. exposure is most glaring in the Eurodollar CD market, which has expanded sharply in the past few years. When the first Eurodollar CDs were issued in London in 1966 the discount houses had the market almost entirely to themselves. However, because of official controls on the amount of foreign paper the discount houses can hold—three times their true resources—and the lack in the Eurodollar market of an official lender of last resort, they have not expanded very quickly.

Today, the discount houses are overshadowed by U.S. dealers. As at mid-February, there were some $28.6bn of London Eurodollar CDs outstanding—the amount has doubled over the last three years. By contrast, the discount houses holdings of foreign currency CDs amounted to just over $150m. While this is not a good guide to their total trading volume, the subjective evidence is that except for one or two houses such as Gerrard and National, most of the big trading is now done by U.S. firms such as Salomon Bros. and Merrill Lynch.

Although no one is sure just how big the trading volume is, there is no doubt that London Eurodollar CD trading is now very big business, and one in which the discount houses are badly under-represented. On the basis of the Bank of England's figures for January and February—admittedly good months—total turnover could be running at around $150bn per annum. This compares with a figure of under $20bn in 1972.

Although the vast bulk of the CDs are issued by banks in London, much of the trading is done elsewhere, and one estimate suggested that the Bank of England figures represent no more than 50 per cent of the total. If correct, and there is no way of knowing, trading volume could be running at $300bn or so per year. To put this in perspective, the discount houses transactions in UK gilt edged securities which account for roughly a third of the total, has been running at $50bn per annum over the last couple of years.

Apart from the currency risk involved, the biggest obstacle for any London discount house wanting to build up its presence in this market, is its lack of U.S. retail outlets. It is generally reckoned that over 80 per cent of the business now takes place in the United States. Since most of the major U.S. dealers have operations in London, the discount houses are finding it hard to build up their U.S. contacts.

Hence the spate of recent moves. Many houses still transact their business with the U.S. over the phone, but the cost of making 30 to 40 transatlantic telephone calls daily to individual customers quickly builds up and the overheads on what is a low margin operation can be prohibitive. So far only one house—Smith St. Aubyn—has opened its own office (last November) in New York.

The others have tackled the problem in various ways. Gillett's deal seems to be very much a trade investment and both parties stress that they will continue to conduct their Eurodollar business independently.

Allen Harvey and Ross and Jessel Toynbee have formed rather loose relationships with Ehrlich Bober and Carroll McEntree McGinley, respectively. These are hardly household names in London but the latter has nine offices throughout America and gives Jessel a chance to tap the retail market. Meanwhile, Gerrard and National, probably the biggest discount house in dollar CD's has taken a 6 per cent stake in First International Money Markets—a money market broker/dealer established a couple of years ago by executives from Wall Street investment banks.

Genstar sale to Pharaon

By Robert Gibbens in Montreal

GENSTAR, the major Canadian building materials, chemicals and property development group, will receive some C$32m for the sale of its Miron Company cement manufacturing and building materials operation in Montreal.

Miron has been sold to interests of the Saudi Arabian financier Ghaith Pharaon through Interedec (Canada) NV, a Pharaon holding company.

The UK group Associated Portland Cement and the Belgian concern Société Générale are both substantial shareholders in Genstar.

Northwest Industries confident

CHICAGO — Northwest Industries expects to translate a 10 per cent gain in first quarter sales into about a 15 per cent rise in earnings, according to Mr. Ben W. Heineman, president.

Although he declined to project anticipated earnings beyond the end of the first quarter, he said: "It will be another excellent year," with sales and earnings setting record highs for the tenth successive time.

All operating units experienced a "good" quarter, with units setting record highs for the period including Lone Star Steel, maker of tubular steel products, Microdot, the steel mould manufacturer, Union Underwear and Coca-Cola Bottling of Los Angeles.

Sales in the three months ended March 31 ran between $575m and $580m or about 10 per cent over the $529.6m volume reported for the like year before period. Earnings were about $34m or $1.09 a share against $29.5m equal to 95 cents in the 1978 period. Year ago sales have been adjusted to reflect the two-for-one stock split in 1978.

Velsicol Chemical Corporation, a subsidiary and the target of numerous lawsuits in the past few years, probably had its best first quarter since 1975. However, the rate of improvement over the year ago quarter may not be maintained by the subsidiary during the remainder of the year. Velsicol's earnings for 1979 will be "better" than the $14.6m operating earnings reported for 1978.

Last year, a $9m charge for a plant write-off together with interest costs and taxes reduced earnings of the chemical subsidiary to only $500,000.

Apart from describing prospects for 1979 results as "excellent" Mr. Heineman did not project management's earnings expectations for the year. However, recent estimates by security analysts have ranged up to around $5.75 a share. In 1978, Northwest Industries earned $150.5m equal to $4.90 a share on sales of $2.4bn.
AP-DJ

Slowdown at MGM

MGM, the films, TV and hotels group, has been unable to maintain in the second quarter the rapid pace of growth achieved in the first quarter, reports Reuter from New York. Net income for the period was $10.38m, or 34 cents a share, compared with $9.61m, or 31 cents, on sales up from $92.6m to $111.3m. For the six months, net income was $36.39m, or $1.19 a share, compared with $17.82m, or 58 cents.

Growth at Hart Schaffner

CHICAGO — Hart Schaffner and Marx announced record earnings for the first quarter, to February 28; group net earnings rose by 15.2 per cent to $6.8m, or from 68 cents to 79 cents a share, on sales increased by 3.4 per cent to $171.3m.

The group ascribed the upturn to increased interest income on its cash investments, as well as from higher sales and earnings to both manufacturing and retailing customers.

The company said first quarter sales of its 274 retail stores were about 6½ per cent above the year earlier level, while manufacturing sales rose by 4½ per cent.

Hart Schaffner said its inventory is up 4 per cent from a year ago.

"We expect another good fall manufacturing season based on advanced orders from independent dealers," the company said.

The company said its Whiteville Apparel Corporation subsidiary will introduce a line of popular-priced tailored clothing

The collection will include suits, sports coats and slacks manufactured under a licence agreement with Playboy Enterprises.
Reuter

Textron buys chemical stake

MORRIS TOWNSHIP — Allied Chemical Corporation's proxy statement for its annual meeting shows that Textron held 1.4m shares or about 4.8 per cent of its common stock.

Textron also has an option to buy 800,803 Allied Chemical shares from Solvay et Cie of Brussels and can vote these additional shares at the annual meeting.

As a result, Textron will control 2.2m shares representing 7.65 per cent of Allied's stock at the meeting.
Reuter

EUROBONDS

Largest issue so far in Canadian dollar sector

BY OUR EUROMARKETS STAFF

THE FOURTH Canadian dollar bond since this sector of the market reopened a week ago is a C$80m offering for the Royal Bank of Canada.

The issue will be split into two equal tranches, both carrying an indicated coupon of 10 per cent. The maturity of the shorter tranche is seven years, while that of the longer one is 15 years. Joint lead managers are Orion Bank and the Royal Bank of Canada Trust Corporation.

This new issue is both the largest in volume and the longest in maturity of the four Canadian dollar issues announced since Tuesday of last week. Since then, prices of seasoned Canadian dollar issues have risen, in some cases by up to a full point.

The issue for the Bank of Montreal, which matures in 1992, was trading at 96½-97½ yesterday, having put on 1½ points over the week. The existing issue for Royal Bank of Canada, which matures in 1992, was quoted at 95½ offered yesterday, thus yielding 9.67 per cent.

The C$50m for Canada's Export Development Corporation was yesterday priced at par with indicated conditions otherwise unchanged by the joint lead managers, Wood Gundy and Orion. The C$50m bond for Hudson's Bay Company, which was increased from an initial C$40m last Friday, was expected to be priced later last night.

Activity in the U.S. dollar sector was brisk, with buying interest covering the full range of maturities. Prices moved up by as much as ½ point on the day. In the FRN sector, the $30m for Bank Bumiputra was priced at par

MEDIUM-TERM CREDITS

Indonesia to raise $520m loan

BY FRANCIS GHILES

INDONESIA's state owned airline, Garuda, is raising about $520m in the form of a two tranche package which includes both commercial loans and funds provided by the export credit agencies of various Western countries. The lead manager is Citicorp.

The proceeds of the first tranche, amounting to about $260m, are earmarked for the purchase of six Airbuses. Of the total amount of this tranche, about $120m will be in the form of a 10-year medium term credit on which the borrower will pay a spread of ⅞ per cent.

The second tranche will be used to finance the acquisition of four Boeing 747 aircraft. The whole $260m will be in the form of a medium term loan with a 10-year maturity and a spread of ⅞ per cent. The borrower is providing no state guarantee to the banks. This has been Garuda's policy in previous transactions with international banks, but it has never borrowed such a large sum.

For Indonesia, the advantage lies in the fact that non-state guaranteed loans are not included in the figure for state borrowings. Indonesia is believed to be very close to the guidelines suggested by the World Bank as to how much it should borrow in hard currency.

The Moscow-based International Investment Bank has prepaid a small amount, believed to be about $70m, of the $500m 6½ year loan it raised through Dresdner Bank in June 1977. That loan carried a split spread of 1½ per cent for the first two and a half years rising to 1¾ per cent for the last four.

The borrower has paid a ½ per cent prepayment penalty on the amount of the prepayment. This move by the IIB has prompted speculation that it may seek to prepay a greater amount of the loan in the near future. It is able to refinance on much finer terms today.

Pemex, the Mexican state oil company, is arranging an $80m loan with a bullet maturity of three years through a group of banks led by Société Financière Européenne. The borrower is paying a spread of ¾ per cent.

Domecq, the largest producer of wines and spirits in Spain, is raising $20m for seven years with 2½ years grace through a small group of banks led by Amex International. The borrower is paying a spread of 1½ per cent throughout.

Belgian bond placing

BRUSSELS — The 12-year bond for the Fonds des Routes State roadbuilding fund, which closes today, will raise around BFr 40.6bn, according to the Treasury.

This is below the BFr 42bn foreseen earlier and noted this bond has been difficult to place with private and professional investors.

Other terms of the issue are a 99.25 per cent price, an 8.75 per cent coupon for the first eight years rising to 9 per cent thereafter.

Although this amount will still be a record for the fund, there has been difficulty in placing the issue because of the split interest rate.

The next public bond, for the Société Nationale de Logements, the State housebuilding fund, could be delayed by several weeks as a result of difficulties in placing the current bond.
Reuter

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month: Closing prices on April 4

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bayer Int. F. XW 7¾ 88	200	84⅛	84⅞	0	+0⅛	9.74
CECA 9¾ 84-99	50	96	96½	0	+0⅛	9.79
Canada 9 83	400	98	98½	+0⅛	−0⅛	9.71
Canada 9¼ 98	350	96⅞	97⅜	+0¼	0	9.61
Dow Chem. O/S 9¾ 94	200	97⅜	97⅞	0	0	9.93
EIB 9¼ 98	125	94⅛	94⅝	0	−0⅛	10.00
EIB 9¾ 86	150	99⅝	100⅛	+0⅛	+0¼	9.85
EIB 9⅞ 98	100	100⅛	100⅝	+0⅛	0	10.07
Export Dv. Cpn. 9.85 84	150	100⅝	101⅛	+0⅛	+0⅛	9.84
Export Dv. Cpn. 9⅝ 84	100	97⅝	98⅛	0	+0⅛	9.77
Eksportfinans 9 86	50	96¼	96¾	0	+0¼	9.66
Finland 9 88	100	95⅜	95⅞	+0⅛	+0⅛	9.96
Finland 9¾ 88	100	97¾	98¼	+0¼	+0¼	9.91
GTE Fin. 9½ 84	50	98⅛	98⅝	+0⅛	+0¼	9.92
Gould Int. Fin. 9¾ 85	50	99⅝	100⅛	+0⅛	+0⅛	9.77
Hospital O/S 9 83	25	97⅜	97⅞	0	0	9.55
Hudson Bay Co. 10 84	50	100⅝	101⅛	−0⅛	+0⅛	9.88
Ital Finance 9¾ 90	30	94½	95	−0⅛	0	10.54
J. C. Penney 8½ 83	100	96⅛	96⅝	−0⅛	−0⅛	9.54
Manitoba 9½ 89	75	97¼	97¾	0	+0¼	9.90
New Brunswick 9¾ 94	75	98	98½	+0⅛	+0⅛	9.98
Newfoundland 10 94	50	98⅞	99⅜	+0¼	+0½	10.11
Norsk Hydro 9⅜ 94	50	95⅜	95⅞	0	+0¼	9.81
Norway 9¾ 84	150	100⅛	100⅝	0	−0⅛	9.81
Portland 10 84	50	97¼	97¾	0	+0½	10.67
Quebec Hydro 9½ 93	50	96¼	97¼	0	+0¼	9.89
Redland Fin. XW 9¾ 91	25	92¾	93¼	+0⅛	+0½	10.55
Sears Roebuck 9 82	150	98⅜	98⅞	0	+0⅛	9.55
Stockholm 9¾ 94	50	99⅞	100⅜	+0¼	+0⅛	9.97
UK 8⅞ 93	150	95⅜	95⅞	0	+0¼	9.66

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
American Ex. Int. 6½ 87	70	93⅝	94⅛	−0⅛	−1⅝	6.50
Argentina 6½ 88	150	93⅝	94⅛	0	+0¼	7.41
Australia 6 88	250	98⅜	98⅞	0	−0¼	6.19
Austria 5¾ 90	150	92⅛	92⅝	+0¼	−0¼	6.71
Banco Desarrollo 7¼ 86	100	98	98½	+0⅛	+0¼	7.56
Bankamerica 5¾ 90	150	94⅜	94⅞	−0⅛	−2¼	6.43
Bq. Ext. Algerie 7¼ 85	100	96⅞	97⅜	0	−0¼	7.79
Brazil 7¼ 87	150	99⅝	100⅛	0	−0¼	7.28
CECA 6 88	150	95¾	96¼	0	−0⅛	6.57
Ch. Manhttn. O/S 6 93	100	97⅛	98⅛	+0¼	−0½	6.20
Commerzbank XW 3½	100	†81¼	82¼	0	0	6.14
Copenhagen City 6 90	75	92½	93¼	0	+0⅛	6.91
Council of Europe 6¾	130	95¾	96¼	+0⅛	−0⅞	6.84
Denmark 5¾ 85	100	96¾	97½	+0⅛	+0¼	6.35
Denmark 6½ 89	100	96¾	97¼	+0¼	0	6.93
EIB 6 90	300	92⅝	93⅛	0	−0⅛	6.90
EIB 6½ 91	200	96⅜	96⅞	−0¼	−0¼	6.92
Eletrobras-Brazil 7 87	100	96½	97	+0⅛	−0¼	7.55
Eurofima 6½ 89	100	100⅝	101⅛	+0⅛	−0¼	6.36
Finland 6 83	150	99⅜	99⅞	0	+0½	6.72
Hitachi Ship. 5¾ 83	50	97⅝	98⅛	+0⅛	−0⅛	6.24
Indonesia 7 84	100	97½	98¼	−0⅛	−0¼	7.47
Kobe, City of 5¾ 88	100	97⅝	98⅛	0	−0⅛	6.09
Mogal Fin. 7 89	150	99¾	100¼	+0¼	+1	7.04
Mitsubishi Petro. 5¾ 86	100	98⅜	98⅞	+0½	−0¼	6.03
New Zealand 6¼ 87	200	99¾	100¼	+0⅛	0	6.29
Nippon Kokan 7½ 84	100	99⅞	100⅜	+0½	+0⅛	7.47
Nippon Steel 5¾ 85	100	97¼	98	−0⅛	−0⅛	6.20
Nippon Tel. & T. 5½ 87	100	94¾	94¾	0	−0⅞	6.41
Nordic Inv. Bk. 6¾ 86	80	97⅞	98⅜	+0⅛	−0¼	6.57
Norges Komm. 6 90	100	94⅝	95⅛	−0¼	0	6.65
Norges Komm. 6¾ 89	150	97½	97¾	0	0	6.58
Norway 6¼ 84	200	†101	101½	+0⅛	+0¼	5.95
Occidental 6¾ 90	150	96⅜	96⅞	+0⅛	0	7.18
OKB 6½ 88	100	98⅞	99⅜	0	−0⅛	6.62
OKB 6 87	40	97½	98	0	+0½	6.37
Petroleo Brazil 7 88	100	97⅞	98⅛	0	−0¼	7.31
Ricoh 5¾ 83	30	97¼	97¾	0	−0¼	5.91
Statoil 6 88	150	95½	96¼	0	−0¼	6.60
Statoil 6½ 89	150	97⅞	98⅜	+0⅛	+0¼	6.76
UDS Group 5¾ 83	65	96⅞	97⅜	+0¼	−0⅛	6.51
Union Bank Finn 6½ 88	60	94	94½	0	−0½	7.34
Venezuela 5½ 90	150	91⅜	91⅞	0	−0⅛	7.61
World Bank 6¼ 88	400	96½	97	0	−0⅛	6.71

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Acesa 5¼ 88	40	103½	104	0	−0½	4.74
Amer. Exp. Int. 3½ 93	40	96¼	97	+0½	−1	3.80
Asian Dev. Bank 3½ 94	100	88⅝	88⅞	+0¼	−2⅛	4.56
Austria 3½ 93	100	94¼	94¾	0	−1½	4.02
Australia 3⅝ 89	250	95⅛	95⅝	+0½	−0⅛	4.18
Brazil 4¼	100	99	99¼	0	−0¼	4.36
Canada 3¾ 89	300	95¼	95¾	+0⅛	−1¼	4.19
Chase Manhattan 4 93	70	100¼	100¾	0	−0⅛	3.98
Council of Europe 4¼	100	99⅛	99⅝	−0½	−1½	4.33
Bankamerica 3¾ 93	80	97	97¼	−0½	−2½	4.01
BNDE 5 88	75	100	100½	+0⅛	−1⅛	4.96
Denmark 4½ 90	100	†94¼	94½	+0¼	−2½	5.16
EIB 4¼ 93	100	97¾	98	0	−1½	4.45
Euratom 4¼ 93	80	98	98¼	+0½	−1¼	4.43
F. L. Smidth 4½ 89	25	99¾	100	+0¼	−0⅞	4.51
Finland 4½ 93	80	99¼	99½	−0½	−0⅞	4.58
GZB 4½ 93	100	100	100¼	0	−2	4.49
Heron 4¼ 89	35	96	97	−0⅛	−1⅞	4.70
ICI Fin. NV 3½ 94	230	92⅛	92⅝	+0⅛	−1½	4.21
Malaysia 4½ 90	80	98¼	98½	0	−0⅛	4.93
New Zealand 3½ 94	120	91¼	92	−0¼	−3¼	4.25
Norges Komm. 4¾ 90	100	100	100½	+0⅛	−1⅛	4.22
OKB 3¾ 91	100	93¾	94¼	+0⅛	−1⅛	4.41
Oy Nokia 5 90	20	101¾	102¼	+0⅛	−0¼	4.73
Philippines 4¾ 89	50	96¾	97	+0¼	−1½	5.16
Sandvik 4 90	85	97½	97¾	+0⅛	−0⅛	4.27
Spain 4 91	100	95½	95¾	+0½	−1⅛	4.48
Voest-Alpine 4½ 93	100	99¼	99⅝	0	−1⅛	4.52
Vienna 4 93	100	98	98¼	0	−1⅛	4.17
World Bank 4¼ 93	250	99½	99¾	0	−0⅛	4.28

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 5¾ 88	15	85	85¾	−0⅛	−2½	8.01
Australia 5.6 83	30	94⅛	95⅛	−0⅛	−0¼	7.02
Australia 6½ 88	20	92¾	93¼	−0½	−0¼	7.71
Finland 5.6 83	10	93⅜	94⅛	−0¼	−1	7.28
Finland 6.8 88	10	93¾	94¼	+0¼	−0⅛	7.87

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Nordic I. Bk. 9 84 SDR*	20	99¼	99¾	0	0	9.12
Auto Cote B. 7 93 EUA	16	91½	93	0	+0¼	7.90
Komm. Inst. 7½ 93 EUA	15	97½	98½	0	−0¼	7.71
Panama 8¼ 93 EUA	20	94	95½	0	−0¼	8.90
SDR France 7 93 EUA	22	94¼	95	0	+0½	7.58
Algemene Bk. 6¾ 83 Fl	75	95½	96¼	0	−0¼	7.44
CFE Mexico 7¾ 83 Fl	75	98	98¾	0	−0¼	8.19
EIB 7¾ 85 Fl	75	94½	95¼	0	−0¼	8.85
Ned. Middbk. 8¼ 84 Fl	75	99⅞	100¼	0	0	8.22
New Zealand 8¼ 84 Fl	75	94½	95½	0	−0¼	8.97
Norway 8¼ 84 Fl	100	100¼	100¾	0	−0¼	7.99
Elf Aquitaine 9¾ 88 FFr	150	99¼	99¾	0	−0¼	9.80
EIB 9¾ 88 FFr	200	98⅞	99¼	0	−0¼	9.88
Norway 9¼ 84 FFr	200	99½	100½	0	0	9.30
PSA Peugeot 9¾ 87 FFr	175	99¼	99⅞	0	0	9.81
Total Oil 9½ 87 FFr	150	97¾	98½	0	0	9.72
Unilever 10 85 FFr	100	100¼	101½	−0¼	−0¼	9.74
CECA 9¾ 89 £	20	91½	92½	+0⅛	+2½	11.60
Citicorp 10 93 £	20	91⅝	92⅛	−0¼	+2½	11.16
EIB 9¾ 88 £	25	95½	96½	0	+2⅛	10.60
Finance for Ind. 13 91 £	15	104⅞	105⅞	0	+1⅛	12.14
Gen. Elec. Co. 12½ 89 £	50	101¾	102¼	0	−0¼	12.14
BAT 8 88 LuxFr	250	97¼	98¼	0	0	8.35
Bayer Lux. 8 86 LuxFr	250	97½	98½	0	−0¼	8.38
EIB 7¾ 88 LuxFr	250	96¾	97¾	0	+0¼	8.17
Euratom 8 87 LuxFr	500	100½	101½	0	+0¼	7.89
Finland I. P. 8 88 LuxFr	250	97½	98½	0	0	8.33
Norway 7¾ 83 Lux Fr	250	97½	98½	0	+0¼	8.39
Norges Km. 8 85 LuxFr	500	98½	99½	0	−0¼	8.17
Renault 7¾ 88 LuxFr	500	97⅞	98⅝	0	+0¼	8.07
Solvay Fin. 8 85 LuxFr	500	100¼	101¼	0	+0⅛	7.88
Swedish Bk. 8 88 LuxFr	500	100½	101½	0	+0⅛	7.89

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Arab Intl. Bank M6.5 83	0¼	96½	97½	31/7	11.44	11.81
BFG Fin. Co. M5.5 89	0¼	98¼	99¼	12/7	12.4	12.53
Bco. El Salvador M8 83	1¼	97⅜	97⅞	12/4	11.31	11.59
Bco. Nac. Argnt. M8 83	0¾	100⅜	100⅞	21/7	12¼	12.17
Bco. Nac. Argnt. 7 86	0¾	97⅞	98⅜	22/9	11½	11.72
Banco Urquijo 6 85	0¾	97¾	98¼	21/9	11½	11.73
Bank of Tokyo M5½ 93	0¼	97½	98	18/4	10¼	10.74
Banque Worms M5¼ 85	0¼	98½	99	15/6	12	12.15
Bq. E. d'Alg. M8.375 84	0¾	96½	97¼	9/8	11⅞	12.28
Bq. Ext. d'Alg. M7.5 85	0¾	95⅜	95⅞	2/6	12¾	13.35
Bq. Indo et Suez M5½	0¼	99⅜	99⅞	25/7	12	12.06
Bq. I. Af. Occ. M6.5 83	0¾	98	98½	12/7	12.4	12.62
BNP 5½ 91	0¼	97⅝	98⅛	22/2	11⅝	11.62
CCCE M5.25 98	0¼	97⅜	97⅞	3/8	11⅝	11.85
Ch. Man. O/S M5½ 93	0¼	97¾	98¼	27/7	11.73	11.98
Citicorp O/S Fin. 6 94	0¼	99½	100	8/6	11.06	11.08
Credit National M5½ 88	0¼	98½	99	11/7	12.31	12.47
Gotabanken M6 88	0¼	99¼	99	15/5	12.31	12.48
Ind. Bk. Japan M5¼ 85	0¼	99⅞	100⅜	1/6	12.35	12.53
Ljubljanska M7.75 85	1	97⅝	98⅛	18/7	12.94	13.24
LTCB Japan M5¼ 85	0¼	99¼	99¾	9/5	12.06	12.12
Midland Intl. M5½ 93	0¼	98¾	99¼	20/7	12⅛	12.37
Nipp. Crdt. Bk. M5.5 85	0¼	99¾	100¼	22/8	12.81	12.81
OKB M5¼ 88	0¼	99¼	100¼	18/4	10.56	10.56
Offshore Mining 88	0¼	99	99½	19/7	12.19	12.28
Petro Mexicano 7¼ 84	0¾	99¼	99¾	24/7	12.06	12.18
Privredna Banka M8 86	0⅞	96	97	22/6	13.44	13.92
Standard Chrt. M5.5 90	0¼	97⅜	97⅞	10/8	11.56	11.84
Sundsvallsbnkn. M6 85	0½	97⅜	97⅞	4/4	10.06	10.31
Utd. O'seas Bk. M6 89	0¼	98	98½	29/3	—	—

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Asics 5¾ 93	9/78	628	89	89¾	−0¼	3.99
Baker Int. Fin. 5½ 93	1/79	34	117⅝	118⅝	+3⅝	−1.78
Boots 6¾ 93	2/79	2.16	107⅝	108⅝	0	−5.06
Ciba-Geigy O/S F 4 94	9/79	675	93½	94½	0	14.27
Coca-Cola Bottling 6¾	4/79	9	89⅝	90⅝	+0⅛	18.06
Honda Motor 5½ 89	5/79	532	91⅛	92	+1⅛	9.66
Ito-Yokado 5¾ 93	6/78	1339	111⅜	112⅜	−0⅛	0.69
Novo Industri 7 89	4/79	259	87¼	88¼	0	9.83
Texas Int. Air. 7½ 93	4/79	14.5	91¼	92¼	0	14.39
Thorn Int. Fin 7 88	11/78	3.87	122⅜	123⅜	−0⅛	−2.80
Tyco Int. Fin. 8½ 88	9/78	21	102¼	103½	+2½	11.34
Asahi Optical 3½ DM	12/78	588	93¾	94¾	+0¼	3.01
Casio Co. 3½ 85 DM	11/78	841	[illegible]	[illegible]	+0¼	16.52
Izumiya 3½ 86 DM	10/78	989	91½	92½	0	10.33
Jusco 3½ 86 DM	1/79	1154	87⅞	88⅞	0	27.70
Kansai Elec. 4 84 DM	4/79	1350	90⅝	91⅝	+1½	42.60
Konishiroku 3½ 85 DM	1/79	612	92	93	+0½	18.73
Marudai Food 3½ DM	2/79	1033	88¼	89¼	−0¼	23.00
Murata M. 3½ 86 DM	11/78	854	96¾	97¾	+0⅛	3.51
Nipp. Air. 3.5 88 DM	12/78	508	86⅝	87⅝	0	8.78
Nippon Yen. 3½ 85 DM	1/79	251	92½	93½	+0½	15.49
Nissan Diesl. 3½ 86 DM	2/79	477	91⅞	92⅞	+0⅛	9.06
Olymp. Opt. 3½ 85 DM	2/79	703	88½	89½	+0⅛	2.43
Ricoh 3½ 86 DM	10/78	617	94½	95½	−0½	20.48
Sharp Co. 3½ 88 DM	2/79	487	95¾	96¾	+0⅛	84.83
Stanley Elec. 3½ DM	11/78	823	91¼	92¼	+0⅛	27.74
Tokyo Elec. 3½ 87 DM	4/78	476	92½	93½	+0½	6.64
Tokyu Ld. Cp. 4 85 DM	4/79	493	88¼	89¼	+0½	8.08
Trio-Knwd. 3½ 86 DM	11/78	711	87	88	+0¼	23.52

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. M = Minimum coupon. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

WEST GERMAN CONSTRUCTION FAILURE

B and M's bankers throw in the towel

BY ANDREW FISHER IN FRANKFURT AND CHARLES BATCHELOR IN AMSTERDAM

THE DESPERATE struggles of West Germany's sixth largest construction company, Beton-und-Monierbau, to avoid the bankruptcy court proved to be in vain this week as one of the leading banks in the rescue talks flatly turned down its proposals for survival.

The company's downfall stemmed chiefly from the size and rapid growth of its foreign business, although it was by no means alone among German builders in turning to potentially lucrative markets outside the country in order to offset the slump in the industry at home.

But the volume of Beton-und-Monierbau's foreign contracts was not enough to insulate it from the heavy financial risks involved in operating outside its domestic base. Although the non-German share of its completed construction work last year was DM 1.1bn—65 per cent—out of a total of DM 1.7bn, it is mainly this side of its activities which has brought the company to its knees.

Because of payments problems on contracts in Nigeria, where B and M is claiming some DM 130m, and in Algeria, the company's auditors have requested that write-offs of DM 200m be made up to 1980. In addition, there was an operating loss of DM 30m last year, DM 5m above previous estimates—and the gaping financial hole which resulted brought together this week all those concerned with the company's future for rescue negotiations.

But the search for a means of salvaging the company and ensuring its continuation finally foundered on Tuesday, when Westdeutsche Landesbank refused to agree to the rescue plan.

B and M's foreign completions represent almost two-thirds of total construction work, and it is this side of the business that has brought the company to its knees

WestLB, which is also based in Duesseldorf and owns about a tenth of the B and M shares, said the company's proposals were too "one-sided," with inadequate guarantees for the banks and too many remaining risks for the State and Government authorities.

The State of North Rhine-Westphalia has already put up guarantees on the company's contracts totalling DM 100m, with a further DM 50m from the Federal Government. The rescue plan provided for North Rhine-Westphalia to provide DM 70m of the sum under guarantee and for the banks involved to waive claims on the company of about DM 150m. According to WestLB it was not the only institution to raise objections to the plan. Other major banks among the 30 or so concerned were also unhappy with the proposals put forward.

With the final breakdown of the talks, B and M saw no alternative to bankruptcy for which it filed in Duesseldorf on Tuesday afternoon. The company's largest shareholder is Ogem, the Dutch group, which originally had a stake of over 40 per cent and still owns a quarter of the voting shares. B and M's total capital is DM 87.4m. Its shares were suspended on March 29, after a decline to DM 79 despite the company's earlier comment that "nothing serious" had occurred.

Ogem has kept a fairly low profile during the negotiations over the rescue plan, but another major shareholder, businessman Dr. Juergen Amann of Cologne, has been making his displeasure known.

Dr. Amann bought his 24 per cent interest in B and M late last year for an estimated DM 30m through Deutsche Genossenschaftsbank (DG Bank) of Frankfurt, which financed a large part of the transaction. As B and M's future became increasingly dim early this week, he said that he would not have bought the shares if he had been aware of the company's true financial position. So he wanted DG Bank to take his shares back.

B and M's biggest project at the moment is a DM 800m order from Saudi Arabia for three sports stadiums. It is also building in Iran.

The company's difficulties began in the late summer of 1977, when rumours of problems on Nigerian contracts were described by the Board as stemming from a "misunderstanding." Last year, there was widespread speculation about liquidity pressures at the company and Dr. Ernst Wolf Mommsen, former head of the Krupp concern and a confidante of Chancellor Helmut Schmidt, was elected chairman of the supervisory board.

Dr. Mommsen died in January this year. During his brief period on the supervisory board, further rumours surfaced about the thin state of the company's liquidity, leading to the state guarantees and a rise in capital from DM62.5m. Even these measures, however, finally proved insufficient to halt B and M's accelerating decline.

In Holland Ogem, the Dutch trading and construction group, wrote off a considerable sum to cover much of its 25 per cent shareholding in B and M in its provisional 1978 accounts. The remaining book value of the German company can be set in full against provisions made in the final accounts, Ogem said yesterday. A company spokesman declined to be more specific about the cost of B and M's failure to Ogem.

It will, however, have no impact on the results announced by Ogem in February. The company then reported a 20 per cent rise in net profit to Fl 32.8m ($16.4m) and proposed raising its dividend to Fl 2.40 per share from Fl 2.30.

Ogem originally acquired a 44 per cent stake in B and M but this has since been reduced by not taking part in full in capital increases. Soon after Ogem acquired its shareholding it detached several senior managers to oversee the German group's operations until a new managing director was appointed. These managers returned to Ogem in late 1978.

The decision by B and M to file for bankruptcy is the second major setback for Ogem's building division within two months. The poor performance of the Nederhorst building group which had been managed by Ogem for three years led to Ogem dropping plans to acquire the company.

Swedish aid for pulp and paper groups

By Victor Kayfetz in Stockholm

THE SWEDISH STATE agreed in principle late yesterday to provide SKr 1.1bn ($252m) to acquire a 73-74 per cent interest in NCB, a pulp and paper manufacturing group, belonging to North Swedish forest owners, and a 40 per cent interest in Soedra Skogsaegarna, a similar group belonging to forest owners in South Central Sweden.

NCB, which last summer received a state loan of SKr 400m, is to get SKr 680m in new government share capital, while the seven forest owners' associations that have a stake in the group will turn SKr 20m in claims into new NCB shares.

At year-end 1978, NCB had debts of more than SKr 2bn ($458m) and its equity to debt ratio was 18 per cent including untaxed reserves. Yesterday's agreement will bring this figure up to roughly 30 per cent, or normal for the Swedish pulp and paper industry.

Soedra, which received a state guarantee on a recent bank loan of SKr 100m, will get SKr 500m in new government capital, most of which the management plans to place in reserves. Forest owners will transform about SKr 160m in claims into shares.

The injection of state capital is not sufficient to be used for new investments, but is mainly intended to shore up the companies financially so that they can seek loans on the capital market. In both cases the forest owners will have the option to buy out the state again, if and when the companies have recovered from their financial troubles.

A number of details remain to be worked out following yesterday's agreement between the two government negotiators and the managements of NCB and Soedra. Mr. Erik Huss the Industry Minister is expected to submit a Bill on the subject to Parliament later this month.

Mr. Huss said that the Government was stepping in temporarily as a part-owner of the two ailing companies mainly out of concern for their 17,000 employees and suppliers and their general economic importance to large areas of rural Sweden. Structural reorganisation will continue in both groups, however, and some jobs will have to disappear, he added.

Mr. Sven Lindquist, the NCB chairman said he was satisfied with the agreement. Soedra chairman Mr. Urban Sundberg said his group would have preferred it if the state had merely agreed to assume partial ownership of Soedra's new sulphur pulp mill at Moensteraas, which begins operations late in 1979 and replaces outdated facilities.

NCB's current plans call for cutbacks of 1,000 in its 7,000-strong labour force and Soedra is negotiating to effect closures that would put several hundred men out of work.

Increased loss at Snia Viscosa

BY PAUL BETTS IN ROME

THE DIRE structural and financial difficulties of the Italian textiles and synthetic fibres industry were confirmed by the substantial losses reported yesterday by Snia Viscosa, one of the country's largest fibres group, and the decision of Montefibre, Italy's other major fibres and textiles producer, to alter its capital structure in the face of continuing heavy losses.

Snia Viscosa's losses jumped last year from L47bn to L79.2bn ($94m). To cover part of these losses, the Board has decided to increase the book value of an oil field controlled by Snia Viscosa, representing a net capital gain of more than L40bn.

The group's net sales increased by 11.5 per cent over the previous year to L765bn ($837m). However, turnover in the group's textile division effectively dropped by 1.3 per cent compared with the year before. Turnover in the group's chemical and engineering sectors increased by 23.6 per cent and 49.2 per cent respectively.

In view of the company's sizeable losses and accumulated debts, totalling at the end of last year some L700bn, Snia Viscosa is expected to propose a new funding operation in the near future to increase its share capital, which currently stands at L64.6bn.

Meanwhile, Montefibre, the loss-making synthetic fibres and textiles subsidiary of the Milan chemical conglomerate Montedison, plans to write down its capital from L117.7bn to L54.9bn by reducing the nominal value of shares from L150 to L70.

The company subsequently proposes to increase its capital from L54.9bn to L115.3bn through a one-for-one rights issue of new shares of L70 each.

The operation, designed to cover the company's heavy losses, is expected to be approved at a Montefibre shareholders meeting tomorrow.

At the same time, Montedison, which also controls the largest single shareholding in Snia Viscosa, is expected to subscribe entirely to the new Montefibre funding operation, since it controls 99 per cent of the troubled textiles and fibres group.

For its part, Montedison has warned that unless there is general political understanding to resolve the chronic problems of the textiles and fibres sector, the Milan group's own recovery programme would be seriously jeopardised.

Swedish steelmaker cuts loss

By Our Swedish Staff

STATSFOERETAG, the Swedish state holding company, has turned in a consolidated pre-tax loss of SKr 929m ($213m) in 1978 for its subsidiaries which total more than 30. As predicted in the eight-months report, this was an improvement on the previous year's loss of SKr 1.06bn. The board proposes that the dividend to the state again be passed.

Turnover rose 10 per cent to SKr 10.1bn ($2.3bn) or slightly above the forecast.

Heavy industrial subsidiaries accounted for SKr 1bn of the loss last year against SKr 1.2bn in 1977. Statsfoeretag's 10 most profitable companies together recorded a 1978 pre-tax profit of SKr 325m, down marginally from SKr 340m for the same companies the preceding year.

The tobacco company Svenska Tobak alone accounted for SKr 254m of total pre-tax profit, against SKr 232m in 1977.

After extraordinary items, Statsfoeretag reported its 1978 loss as SKr 523m, against SKr 1.4bn in 1977. By far the largest extraordinary income last year was a state grant of SKr 1.7bn compared with a similar grant of SKr 1.5bn the year before.

Extraordinary expenses in 1977 were dominated by more than SKr 1bn in costs related to cancellation of the planned steelworks 80 mill at the subsidiary NJA and to the incorporation of NJA into the new Swedish steel company SSAB.

Unsatisfactory year for ASV

BY FAY GJESTER IN OSLO

AARDAL and Sunndal Verk (ASV), Norway's largest aluminium producer, had an "unsatisfactory" year in 1978, reflecting significant losses by some of the companies in the group making finished goods. Group pre-tax profits fell to NKr 16m ($3.13m) from NKr 81.4m in 1977, despite a rise in turnover to NKr 2.6bn ($508m) against NKr 2.3bn. The board proposes to pass dividend. For 1977, a 3 per cent dividend was paid.

ASV, which employs 7,400 people at its plants in Norway, Sweden and Denmark, is owned 75 per cent by the Norwegian state and 25 per cent by Alcan.

The group's report says that the international market for aluminium developed favourably in 1978. Consumption of primary aluminium in the western world rose by 6.2 per cent, but there was keen competition for orders.

Demand for semi-fabricated goods was weaker in Europe than in the U.S., and for finished goods the trend of the market varied for different products. There was a buyers' market for both finished and semi-finished goods, with consequent strong pressure on prices.

● The A. P. Moeller shipping and industrial group reported a decline in earnings in 1978, writes Hilary Barnes from Copenhagen. It blamed the continued depression in international shipping and the negative influence of the weak dollar.

The 12 per cent dividend in the group's two parent companies, Dampskibsselskabet Svendborg and Dampskibsselskabet af 1912, will be maintained.

The group said that the tanker and liner partnership's revenues in 1978 increased from DKr 574m to DKr 730m ($140m), and after the deduction of administration costs there was a surplus of DKr 623m compared with DKr 697m in 1977, when the figure included DKr 222m from the sale of ships.

Chiasso court hearings to start next month

BY OUR ZURICH CORRESPONDENT

CRIMINAL COURT proceedings in connection with irregularities at the Chiasso branch of Credit Suisse, one of the "big three" banks in Switzerland, are to begin in the Swiss Canton of Ticino on May 28.

The case concerns the channelling of some SwFr 2.2bn of clients' funds to the Liechtenstein letter-box company Texon Finanzanstalt. Defendants will be the former general manager of the branch Mr. Ernst Kuhrmeier, the former branch manager Mr. Claudio Laffranchi and the Chiasso lawyers, Mr. Alfredo Noseda, Dr. Alessandro Villa and Dr. Elbio Gada.

According to Dr. Oswald Aeppli, Chairman of Credit Suisse, the Zurich-based bank will be appearing in the Lugano proceedings as a civil party and will call on the court for a decision on its claims under civil law.

* * *

Hermes Precisa International, the Swiss maker of high quality typewriters, table-top computers and calculators, is unlikely to pay a dividend for 1978 because of difficulties arising from severe foreign competition and the Swiss franc's appreciation, writes Brij Khindaria from Geneva. The group has not distributed dividends since 1974.

Giving provisional figures, chief executive Mr. F. W. Meyer told a press conference in Lausanne that the group's main production units raised their total turnover volume by about 27 per cent to SwFr 138m ($81.7m) in 1978 compared to SwFr 108m. Turnover on a group basis, including that of the production and sales units, increased by about 11 per cent to SwFr 254m.

Luxembourg bank ahead

By Our Financial Staff

INCREASED profits and a higher dividend are announced by Credietbank Luxembourgeoise SA.

At the net level, profits for 1978 have moved up to LFr 202.2m ($6.8m) from LFr 172.9, and the dividend has been increased from LFr 180 net to LFr 206

Total assets at the bank rose by 12.6 per cent to LFr 65.1bn, while client deposits were LFr 27.7bn and loans LFr 20.9bn.

Hotel group advances

VENICE—Compagnia Italiana dei Grandi Alberghi is to propose its first dividend since 1971, a payout of L39 a share. The dividend follows a near-sixfold increase in profit in 1978 to L1.7bn ($1.94m) from L295m previously. Revenue totalled L51bn, up 24 per cent from L41bn.

A.P.-D.J.

Swiss electrical concern holds payout on static sales

BY JOHN WICKS IN ZURICH

GROUP TURNOVER of the Hasler telecommunications and electrical engineering concern amounted to some SwFr 426m ($368m) last year, or almost exactly the same as the SwFr 427m recorded for 1977. According to a letter to shareholders from Hasler Holding AG, the Berne-based parent company, results of the parent for the financial year 1978-79 should permit the distribution of an unchanged 10 per cent dividend for the year.

For 1979, the group forecasts a further rise in the value of new orders. This went up last year by 2.6 per cent to SwFr 410.7m. Actual turnover, however, is seen as falling slightly since the assembly of a number of major units will not be completed by the end of the year. Production volume is seen as rising, while the stabilisation of exchange rates is expected to aid export business.

● **The General of Berne Insurance Company** announces plans to strengthen its position in the re-insurance sector by acquisition of stakes in a Swiss and an American re-insurer.

The companies concerned are Rhine Reinsurance company of Basle, in which the General of Berne will take up a 10 per cent stake and American-European Reinsurance Corporation of New York, of whose capital it is to hold 17 per cent. The affiliate, Bernese Life Insurance Company, is already active in reinsurance.

The General of Berne's shareholders have approved payment for 1978 of unchanged dividend of SwFr 65 per share on increased capital of SwFr 24m from a net profit total for the year of SwFr 5.58m ($3.28m) as well as a SwFr 5 bonus per share. Dividend certificates of Bernese Life and the Basle-based Alba General Insurance Company will pay SwFr 10 each.

● **Switzerland General Insurance Company**, of Zurich, is to pay an unchanged gross dividend of SwFr 30 per share for 1978 and a similarly unaltered transfer of SwFr 3m to special reserves, subject to shareholder approval. Gross premium income rose by 0.9 per cent to SwFr 316m last year.

This modest growth rate was due to the appreciation of the Swiss franc, premiums in local currencies actually having gone up by some 10.6 per cent.

Profits were affected in 1978 particularly by the August floods in the Ticino and in eastern Switzerland.

INTERNATIONAL COMPANIES and FINANCE

Japanese refiners hit by cost rises and yen decline

BY YOKO SHIBATA IN TOKYO

THE SEVEN major Japanese oil refineries listed on the Tokyo Stock Exchange are expected to widen their deficits for the current fiscal half year (April to September), as a result of the impact of crude oil price rises by OPEC and—with the weakening of the yen against the dollar —absence of *foreign exchange* gains.

The refineries are planning to raise prices for oil products in order to recoup increases announced by OPEC. Higher product prices, however, are not likely to be fully accepted by major users such as electric power and steel companies. As a result, the refineries may have to bear the brunt of the OPEC price rises.

The current situation makes it impossible for companies such as Mitsubishi Oil, Koa Oil, General Oil and Fuji Kosan to recover from operating deficits registered in the six months to March. Nippon Oil hoped to achieve profits for *the second half, after registering* Y6bn ($28.31m) operating deficits to end-March, but may now remain in deficit.

Toa Oil is certain to widen its Y1bn operating loss and deficits are inevitable for Maruzen Oil.

Most of the refineries *fell* into deficit in the last half year ended in March, owing to foreign exchange (usance) losses caused by the yen decline since last November. Import usance is a method of settling payment for crude oil imports. Japanese oil refineries usually borrow U.S. dollars for imports of crude oil and recoup in yen four months later. Their performances are heavily dependent on usance gains.

At the beginning of the last fiscal year, seven oil refineries estimated that they would register Y21bn of usance gains if the yen exchange rate held steady at between Y180 to Y190 to the dollar. In contrast usance *losses generated by the seven* refineries are likely to total some Y10bn in the same six months, because of the sharp decline in the yen.

Advance at Dunlop Malaysian

By Wong Sulong in Kuala Lumpur

DUNLOP MALAYSIAN INDUSTRIES has recorded another of solid growth, with pre-tax profits for last year rising by 23 per cent to 35.4m ringgits (U.S.$16m) and sales by 15 per cent to 168.7m ringgits ($US76.3m).

With the tax payable at almost the same level as in the previous year, the group's after-tax profits rose by 46 per cent to 21.7m ringgits.

The history of Dunlop Malaysian Industries has been one of steady growth, with pre-tax profits rising from 6.9 ringgits in 1969 and sales from 57m ringgits, to their present levels.

The group's new managing director, Mr. J. H. Bell, said that the concern's products continued to receive good demand domestically, and overseas, and that prices of imported raw materials were favourable for the group.

Exports last year contributed 15m ringgits to overall turnover, and were 25 per cent higher than in 1977.

Mr. Bell said that the benefits of major capital investments made in 1978, would be felt in the latter part of 1979, but warned that the group might be hit by higher import prices as the *bulk of its* raw materials were derived from the petrochemical industry.

*This, together with the un*certain international trading conditions, would make it difficult for the group to maintain the high growth rates of previous years.

The final dividend is 25 per cent, making 35 per cent for the year, compared with 27.5 per cent in 1977.

Bank of Israel lifts ban on foreign currency loans

BY L. DANIEL IN TEL AVIV

THE Bank of Israel is to lift the ban, imposed 7 weeks ago, which prevented Israeli companies from taking additional loans in foreign currency. Lifting of the ban became possible following an 11-12 per cent drop in the value of the *Israeli pound over the past* month.

Earlier, the de facto devalua*tion of the Israeli pound* vis-a-vis most currencies had been slower than the local rate of inflation with the result that the profitability of exports dropped sharply. Moreover, the foreign currency loans taken for conversion into Israeli pounds offset the credit squeeze operated by the Central Bank.

Local firms had found it profitable to take foreign currency loans because interest *rates for Israeli pound credits* were around 40 per cent per annum. While those for foreign currency loans were about one-third, until last month, the risk of a substantially higher amount repayable as a result of devaluation was marginal. But local banks will in future have to charge their customers from 25 per cent upward for foreign currency loans as the Central Bank is charging them a negative interest of 12 per cent.

With the de facto devaluation of the Israeli pound expected to continue, foreign currency loans will no longer be cheap.

● At the same time as the Sinai oilfields are to be handed back to Egypt, prospecting for oil in Israel is to be stepped up. Koor (the industrial holding company of the Israel Labour Federation) and Unico have informed the Tel Aviv Stock Exchange that they will be submitting prospectus for a share issue to the public by Fedoil, a company jointly owned by Koor, Unico and the Federman group, which has large interests in hotels and industry.

Mitsubishi in CAL stake

ADELAIDE — Mitsubishi Corporation and Mitsubishi Motor Corporation will pay A$27m for a stake of over one-third of the enlarged issued capital of Chrysler Australia Ltd. (CAL).

CAL will issue 20m A$1 par shares to the Japanese companies at A$1.35 each, subject to official and shareholder approvals.

CAL will make an issue to local shareholders at the same price on an 11-for-20 basis.

Assuming all holders of the 619,000 locally-held shares take up the issue, CAL's issued capital will rise to 59.75m shares from the present level of 39.41m.

Chrysler Overseas Capital Corporation holds the remainder of the current issued capital in CAL. The issue price compares with current market levels of around *A$1.17 for the thinly-*traded CAL shares.

Mitsubishi indicated that the link-up between the two groups will help CAL reconstruct its business from a slump.

CAL plans to build about 40,000 Mitsubishi cars this year. Reuter.

Australian banks in new currency market plan

SYDNEY — Eleven, or *possibly 13, Australian banks* will take part in a proposed hedge market for forward currencies. Mr. Robert Blackwood, the manager of the international division of the Bank of New South Wales, said here.

He told a Securities Institute of Australia meeting that the banks hoped to begin the new market soon.

The banks will structure their hedge market as if it were a full foreign exchange market, but it would be a forward market completely separte from the spot market.

Mr. Blackwod said that the banks had hoped at one time for a full foreign exchange market in Australia with a forward market related to the spot market *but this hope had faded.*

Only recently had the Government's ban on operating a hedge market been removed and the legal wrangles were still being sorted out before operations could begin.

The Government recently permitted the Sydney Futures Exchange to begin a currency futures market and the banks propose to operate under the same dispensation.

The banks would quote future rates which combined the spot rate, set daily by the Reserve Bank, a margin for cover and commission.

Banks would cover any currencies but he expected the big proportion to be in U.S. dollars. Mr. Blackwood expected to see three markets for currency future cover operating in Australia — the existing official cover, the Futures Exchange and the banks combined with the existing "grey" hedge market, largely operated by merchant banks.

Reuter

Deposits rise at Jordanian Housing Bank

By Rami G. Khouri in Amman

CONTINUING BRISK growth in banking and construction in Jordan is reflected in a sharp increase in deposits, loans and *profits of the Housing Bank* for last year. The bank, which is five years old and has only a *minority shareholding by the* Jordanian Government, recorded a 6.1 per cent rise in revenues to JD 5.15m and a 76 per cent rise in net profit to JD 1.62m (about $5.3m).

Deposits rose by 68 per cent to JD 61.6m.

Some JD 630,000 were distributed to shareholders.

ASL receivers estimate shortfall at A$55m

SYDNEY—Associated Securities Ltd (ASL), the Australian finance group which was placed in receivership in February, had estimated realisable assets of A$242.02m (US$ 272m) and liabilities of A$289.09m as at February 8, according to the directors' statement of affairs issued here.

But the A$47.07m shortfall does not take into account shareholders reserves of some A$8m, one of the two receiver/managers, *Mr Gary Warhurst*, said here. This would bring the total shortfall to about A$55m, but this figure was necessarily uncertain for the time being, he said.

With the statement of affairs, the receiver/managers said that they expected that first charge debenture holders would be paid principal and interest in full, but for second charge debenture holders, their best assessment was *for some payment* of principal.

The Royal Bank of Scotland holds A$5m first charge and A$18.75m second charge ASL debentures, according to the company's last published debenture *prospectus.*

The debentures were issued in consideration of the bank *guaranteeing A$20m loans to* ASL.

The receiver/managers also said it was unlikely that second charge debenture holders would be paid in full or receive accrued interest. It was also unlikely that unsecured creditors and shareholders would receive any return.

The directors' consolidated statement of affairs shows preferential creditors of A$1.66m ranking head of A$191.86m first charge debenture holders and A$41.22m second charge debenture holders.

Next in order are unsecured creditors of A$17.63m and A$1.2m contingent liabilities.

Paid up share capital as at February 8, the date the debenture trustees appointed the receiver/managers, was A$35.03m.

The directors' estimated realisable value of all assets is A$50.5m *short of* the A$292.56m book value.

Subject to qualifications, the receivers say they believe the directors' values are not unreasonable in the circumstances.

The major asset in the statement of affairs is debits at an estimated realisable value of A$214.75m, the bulk of which is *retail finance debtors* totalling A$176m.

This excludes interest income of about A$60m to be earned subsequently to February 8, not taking into account early repayment which historically reduces income to be earned by 30 per cent.

The remaining A$38.22m in *debtors includes secured real* estate advances of which about 50 per cent are not making *regular payments* through insolvency and other reasons.

Reuter

Marra offers compromise deal

BY OUR SYDNEY CORRESPONDENT

THE BOARD of the pastoral group, Marra Developments has *proposed alternative capital* reconstructions as a compromise solution aimed at ending a long standing dispute with a group of dissident shareholders.

The offer of a compromise came shortly before the company, and two current directors, Mr. P. Berner, the chairman and Mr. P. Yunghanns, are due to defend in the New South Wales supreme court, next week, a *petition alleging oppression*, filed by a group of shareholders.

The dispute dates back to 1974 when a company headed by Mr. Yunghanns made a takeover bid for Scottish Australian Holdings (SAH). Marra merged with SAH, but Mr. Yunghanns ended up with control in the form of convertible preference shares issued to achieve the merger.

Marra subsequently ran up *heavy losses and the board has* been selling off assets with the aim of reducing debt incurred *in financing the merger* and to enable the redemption of the preference capital and arrears of dividends. The *dissident* shareholders group largely represents family interests from the old Marra Developments, who disputed the sale of pastoral assets.

The Marra directors said that the *reconstruction had been* proposed because the latest legal proceedings were unlikely *to end the dissension which* had racked the company.

The greatly improved profitability because of the *rural* recovery, the elimination of all short-term debt and the accumulation, through sales, of more than A$11m in non-rural assets had enabled the proposals to be made.

The directors suggested either redemption of the preference shares or a reduc*tion of the ordinary* capital by the purchase of the shares held by the dissidents and any other *ordinary* holders who wished to sell, or a distribution *in specie* of the rural assets.

They said the court hearing would proceed unless majorities of both ordinary and preference holders would agree to one of the proposals.

The majority preference holder, Mr. Yunghanns, an*nounced that he would consent* to either the purchase of the ordinary shares for 25 cents (the latest market price was 18 cents) or the purchase of the preference shares at the par value of 50 cents after payment of an already declared dividend of 1.75 cents.

If the preference capital was repaid, Mr. Yunghanns would agree to waive the divided arrears.

A *spokesman for the Marra* shareholders' action group said it would press on with the legal action.

Esso Exploration lifts earnings

BY OUR SYDNEY CORRESPONDENT

ESSO EXPLORATION and Production, the 50 per cent partner in Australia's largest producing oilfields, lifted group profit by *7.2* per cent, from A$81.9m to A$87.8m (U.S.$98.7m) in 1978. The *directors, however, were* not enthusiastic over the increase, which they considered modest in view of increased crude oil prices and record production levels.

The return on total average assets dropped from 16.8 per cent in 1977 to 15.4 per cent, it was said, because of a substantial increase in investment in exploration and development. The directors *also criticised the introduction* of a branch profits tax which reduced earnings by A$28.1m. They said that the legislation of this tax was a major disappointment. Royalties, excise income and other taxes payable to the Government rose by A$257m *to A$557m.*

The dividend to the U.S. parent was raised from A$55m to A$64m.

The directors said that during the year the minerals programme was increased, with the most significant event being a proposed joint development with Western Mining Corporation of the Yeelirrie uranium deposit in Western Australia.

The directors said that Esso's shares of future costs related to development pro*jects currently planned*, including the Bass Strait exploration and development, with its partner BHP, Exmouth, Plateau and other oil and gas exploration.

Yeelirrie uranium and the Hall Creek coal joint venture in Queensland, would total about A$940m.

Dividend unchanged for Danish owner of Rentokil

BY HILARY BARNES IN COPENHAGEN

DENMARK'S Sophus Berendsen, which controls the UK timber preservation and pest control group, Rentokil, will pay an unchanged 13 per cent dividend for 1978 after improving group profits before tax from *DKr 102.4m* to DKr 113.1m ($19.6m) last year.

The board also proposes a 1-for-8 scrip issue and a rights issue in the *form* of a convertible stock carrying a 13 per cent coupon and *priced at* 105 per cent. The issue basis here will be 1-for-4.

*Group turnover last year in*creased from DKr 976m to DKr 1.1bn ($210m) and profits after tax increased from DKr 50.6m to DKr 65.1m. The board described prospects for 1979 as "promising" and expected *increased* earnings

● FINNISH paper and board maker, Kymi Kymmene reports *mixed trading patterns for 1978* with "unsatisfactory" trading at home contrasting with a healthy picture overseas.

Net sales of the parent company rose by 9 per cent to FM 1.44bn ($380m), and for the group there was a 19 per cent improvement to FM 2.49bn. Foreign subsidiaries and asso*ciated companies accounted for* 37 per cent of group turnover. The company proposes to maintain its dividend of 9 per cent.

Earnings failed to cover the cost of heavy capital investment during the past three years. Plans for new projects have been postponed and investments in 1978 were confined to essential modernisation projects and energy conservation. Capital expenditure in Finland totalled FM 97m compared to FM 300m in 1977.

Capacity utilisation rose to 91 per cent in the paper and board division and 84 per cent in the chemicals division. But due to a fire, sawn goods production contracted by 30 per cent. The engineering division had a poor year, with net invoicing down 15 per cent to FM 182m.

Good returns from the overseas subsidiaries relieved the picture. Star Paper in the UK increased its production to over 74,000 tonnes and raised its sales by 13 per cent. In West Germany, Nordland Papier boosted output by a third to 202,000 tonnes. Eurocan Pulp *and Paper in Canada increased* its sales by 40 per cent, and the latest acquisition—in France—expanded output by 45 per cent.

Recovery at William Jacks

By H. F. Lee in Singapore

WILLIAM JACKS AND CO. (Malaya) Berhad which for the *past two years has been languish*ing in the red appears to have pulled itself out of the rut. For the 18 months to December 1978, the group returned to profitability, reporting pre-tax profit of 4.03m ringgit (U.S.$1.8m), compared with a loss of 331,060 ringgit for the 12 months ended June 1977. The group has *changed its financial year-end* from June to December.

However, as a result of a *continued abnormally high tax* charge profit after tax amounted to only 1.18m ringgit, which nevertheless is still a substantial improvement over the 1.3m ringgit loss incurred previously.

William Jacks has been unable to offset losses in unprofitable subsidiaries against taxable profits in others. At the attributable level, profit is marginal because of the high incidence of minority interests. Attributable profit before *extraordinary items* was 43,000 ringgits while after extraordinary items the figure was 30,000 ringgit, compared with a loss of 5.4m ringgit.

The results of William Jacks and Co. of the UK have been consolidated into the group accounts for the first time, as it has become a subsidiary. The group has also introduced equity accounting of its associated companies namely, Armitage *Shanks Malaysia Sendirian Ber*had and Perangsang-Jacks Sendirian Berhad.

Bousteadco gains broking firm

By Our Own Correspondent

Bousteadco Singapore has *secured control of the leading* local rubber and gold broking firm, Holiday Cutler Bath and Company.

In an announcement yesterday, Bousteadco said that it has received acceptances for the entire 200,000 management shares as well as 974,990 ordinary shares, representing 95.8 per cent of the issued ordinary share capital of Holiday Cutler Bath.

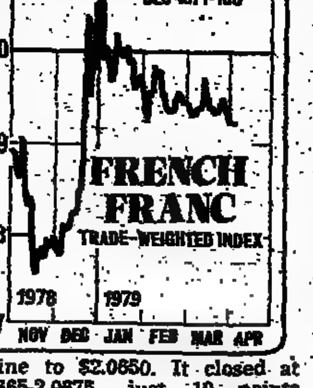
Bousteadco declared that its offer which was conditional upon receiving acceptances for 76 per cent of Holiday Cutler Bath's issued capital is now unconditional and is to be extended to April 25.

Bousteadco's cash offer terms are S$2.60 per share payable initially and S$0.50 per share payable in January, 1982.

CURRENCIES, MONEY AND GOLD

Pound steady; dollar firm

Sterling remained steady in yesterday's foreign exchange market while the undertone showed continued confidence in the pound's ability to profit from North Sea Oil. Trading was somewhat quieter than earlier in the week and on Bank of England figures, the pound's trade weighted index was steady at all three of the day's calculations at 66.5 compared with 66.4 on Tuesday. Against the dollar, sterling opened at \$2.0675 and touched \$2.0690 before demand for the dollar saw the rate decline to \$2.0650. It closed at \$2.0665-2.0675, just 10 points firmer than the previous close.



Most currencies traded within a narrow range and the dollar finished slightly below its best but still showed an improvement over Tuesday's figures. Against the D-mark the dollar rose to DM 1.8825 from DM 1.8810 and SwFr 1.7055 against SwFr 1.7040 in terms of the Swiss franc. The Japanese yen continued to weaken and closed at Y214.80 compared with Y213.40. Using Bank of England figures, the dollar's trade weighted index rose to 85.5 from 85.4.

The Irish punt continued to improve against the dollar and was quoted at \$2.0415 compared with \$2.0395 on Tuesday. Against sterling the punt was unchanged at I£1.0115, but improved against the D-mark to DM 3.8430 (DM 3.8360), the French franc to FFr 8.8285 (FFr 8.8120), the Dutch guilder to Fl 4.1420 (Fl 4.1340), the Danish krone to DKr 10.67 (DKr 10.65) and the Belgian franc to BFr 60.80 (BFr 60.75). However, the punt lost ground in line with sterling against the Italian lira and was quoted at L1,717 (L1,719).

The Italian lira continued to be the strongest currency within the European Monetary System with an appreciation from its ECU central rate of 1.41 per cent, slightly less than Tuesday's figure of 1.42 per cent. Against the Belgian franc, the weakest member at the moment, the lira has risen by 2.83 per cent compared with 2.93 per cent previously. The Belgian Central Bank intervened in the market as the franc traded at its intervention level against the Danish krone, and at the fixing, the krone eased to BFr 5.6935 compared with its upper level of BFr 5.6950.

Frankfurt—Dollar fixed at DM1.8827 (DM1.8850) with no intervention by the Bundesbank.

Tokyo—The dollar finished unchanged against the yen at Y214.40 after erratic trading saw the U.S. unit climb to Y216.80 at one point. Conditions quietened during the afternoon after the Bank of Japan had sold around \$100m in support of the yen.

THE POUND SPOT AND FORWARD

April 4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.0650-2.0690	2.0665-2.0675	0.45-0.35c pm	2.32	0.67-0.57 pm	1.20
Canada	2.3860-2.3935	2.3870-2.3880	0.30-0.20c pm	1.26	0.45-0.35 pm	0.67
Nethlnd.	4.18-4.21	4.19-4.20	2¼-1¼c pm	4.65	5-4 pm	4.29
Belgium	61.45-61.65	61.50-61.60	25-15c pm	3.90	65-55 pm	3.90
Denmark	10.80-10.83	10.80½-10.81½	3-1ore pm	2.22	3¼-1¼ pm	0.83
Ireland	1.0110-1.0170	1.0110-1.0120	0.05-0.15p dis	−1.19	0.32-0.42dis	−1.46
W. Ger.	3.88-3.91	3.89-3.90	2¼-1¼pf pm	6.93	6¾-5¾ pm	6.42
Portugal	99.70-100.20	99.90-100.10	50-110c dis	−9.60	140-260 dis	−8.0
Spain	140.60-141.20	140.65-140.75	20c pm-30c dis	−0.43	25pm-75dis	−1.42
Italy	1,737½-1,743	1,738-1,739	2 lire pm-par	0.07	1½ pm-½ dis	0.12
Norway	10.56-10.59	10.57-10.58	4¾-2¼ore pm	4.26	8-6 pm	2.65
France	8.92½-8.95½	8.93½-8.94½	4¼-3¼c pm	5.03	9-8 pm	3.80
Sweden	9.02½-9.05½	9.03¾-9.04¾	3-1ore pm	2.65	6-4 pm	2.22
Japan	441-446	443¼-444¼	2.85-2.55y pm	7.44	6.75-6.35 pm	5.90
Austria	28.47-28.60	28.53-28.58	20-10gro pm	6.30	50-40 pm	6.30
Switz.	3.51½-3.53½	3.52¼-3.53¼	3¾-2¾c pm	11.06	9⅞-8⅞ pm	10.63

Belgium rate is for convertible francs. Financial franc 62.80-62.90. Six-month forward dollar 0.92-0.82c pm; 12-month 1.35-1.25c pm.

THE DOLLAR SPOT AND FORWARD

April 4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.0650-2.0690	2.0665-2.0675	0.45-0.35c pm	2.32	0.67-0.57 pm	1.20
Ireland†	2.0370-2.0440	2.0390-2.0440	0.50-0.40c pm	2.65	1.40-1.30 pm	2.65
Canada†	86.33-86.47	86.43-86.47	0.10-0.08c pm	1.25	0.12-0.10 pm	0.51
Nethlnd.	2.0275-2.0295	2.0280-2.0295	0.55-0.45c pm	2.96	1.80-1.70 pm	3.45
Belgium	29.77-29.80	29.77-29.79	6-5c pm	2.22	21-19½ pm	2.72
Denmark	5.2275-5.2325	5.2275-5.2290	0.40ore pm-0.10dis	0.34	par-0.50 dis	−0.19
W. Ger.	1.8805-1.8835	1.8820-1.8830	0.74-0.64pf pm	4.40	2.50-2.40 pm	5.21
Portugal	48.35-48.45	48.38-48.43	35-50c dis	−10.54	100-165dis	−10.95
Spain	68.08-68.25	68.08-68.13	10-20c dis	−2.64	30-40 dis	−2.06
Italy	840.90-842.75	840.90-841.40	1.00-1.40lire dis	−1.71	2.00-2.50dis	−1.07
Norway	5.1150-5.1175	5.1150-5.1160	1.25-0.75ore pm	2.35	2.20-1.70 pm	1.52
France	4.3235-4.3255	4.3240-4.3255	1.05-0.95c pm	2.77	3.00-2.85 pm	2.71
Sweden	4.3705-4.3760	4.3750-4.3760	0.30-0.10ore pm	0.55	1.20-1.00 pm	1.01
Japan	214.20-214.85	214.55-214.65	0.95-0.85y pm	5.03	2.65-2.50 pm	4.00
Austria	13.802-13.811	13.802-13.808	5.75-5.00gro pm	4.67	19.0-17.0 pm	5.22
Switz.	1.7025-1.7070	1.7050-1.7060	1.35-1.25c pm	9.15	4.20-4.10 pm	9.73

† UK, Ireland and Canada are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

April 5	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	13	0.519816	0.649183
U.S. \$	9½	1.28116	1.35160
Canadian \$	11¼	1.48422	1.55183
Austria Sch.	3¾	17.7152	18.5409
Belgian F.	6	38.2398	40.0535
Danish K.	8	6.71648	7.03354
D mark	3	2.41499	2.52945
Guilder	6½	2.60332	2.72613
French Fr.	9½	5.54999	5.81181
Lira	10½	1080.66	1131.84
Yen	3½	271.990	285.968
Nrwgn. K	7	6.56274	6.87236
Spanish Pes.	8	87.0276	91.6984
Swedish Kr.	6½	5.61494	5.88091
Swiss Fr.	1	2.18502	2.28877

CURRENCY MOVEMENTS

Apr. 4	Bank of England Index	Morgan Guaranty changes %
Sterling	66.5	−38.1
U.S. dollar	85.5	−8.2
Canadian dollar	81.6	−16.8
Austrian schilling	146.0	+19.0
Belgian franc	114.2	+14.2
Danish kroner	117.6	+6.5
Deutsche Mark	149.6	+41.2
Swiss franc	193.7	+80.5
Guilder	124.9	+20.6
French franc	99.2	−6.5
Lira	54.7	−48.9
Yen	134.6	+35.5

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER MARKETS

Apr. 4	£	\$		£ Note Rates
Argentina Peso	2391-2411	1157-1167	Austria	28-29
Australia Dollar	1.8575-1.8615	0.8985-0.9005	Belgium	62½-63½
Brazil Cruzeiro	47.14-48.14	22.80-23.30	Denmark	10.79-10.89
Finland Markka	8.24-8.26	3.9930-3.9950	France	8.86-8.96
Greek Drachma	75.370-77.197	36.45-37.35	Germany	3.85-3.95
Hong Kong Dollar	10.3550-10.3725	5.0300-5.0340	Italy	1,715-1,755
Iran Rial	140.00-148.00	72.75	Japan	440-450
Kuwait Dinar (KD)	0.567-0.577	0.2770-0.2772	Netherlands	4.15-4.25
Luxembourg Frc.	61.40-61.50	29.77-29.79	Norway	10.55-10.65
Malaysia Dollar	4.5725-4.5825	2.2150-2.2180	Portugal	95-101
New Zealand Dlr.	1.9625-1.9685	0.9495-0.9525	Spain	139.0-142.0
Saudi Arab. Riyal	6.90-7.00	3.3695-3.3700	Switzerland	3.50-3.60
Singapore Dollar	4.5340-4.5440	2.1960-2.1975	United States	2.0625-2.0725
Sth. African Rand	1.7425-1.7525	0.8430-0.8480	Yugoslavia	39½-43

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 4	% change from central rate	Previous % change	Theoretical % divergence limit
Belgian Franc	39.4582	40.0185	−1.42	−1.51	±1.53
Danish Krone	7.08592	7.02893	+0.80	+0.74	±1.635
German D-mark	2.51064	2.52956	−0.75	−0.78	±1.1325
French Franc	5.79831	5.80963	−0.20	−0.23	±1.35
Dutch Guilder	2.72077	2.72572	−0.18	−0.20	±1.5075
Irish Punt	0.662638	0.658617	+0.61	+0.66	±1.665
Italian Lira	1148.15	1131.97	+1.41	+1.42	±4.0725

EXCHANGE CROSS RATES

Apr. 4	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.067	3.895	444.0	8.940	3.528	4.195	1739.	2.388	61.55
U.S. Dollar	0.484	1.	1.884	214.8	4.325	1.707	2.030	841.1	1.156	29.78
Deutschemark	0.257	0.531	1.	114.0	2.295	0.906	1.077	446.3	0.613	15.80
Japanese Yen 1,000	2.252	4.655	8.775	1000.	20.14	7.945	9.448	3915.	5.377	138.6
French Franc 10	1.119	2.312	4.357	496.6	10.	3.946	4.692	1945.	2.671	68.85
Swiss Franc	0.283	0.586	1.104	125.9	2.534	1.	1.189	492.8	0.677	17.45
Dutch Guilder	0.238	0.495	0.928	105.8	2.131	0.841	1.	414.4	0.569	14.67
Italian Lira 1,000	0.575	1.189	2.240	255.4	5.142	2.029	2.413	1000.	1.373	35.40
Canadian Dollar	0.419	0.865	1.631	185.0	3.745	1.477	1.757	728.2	1.	25.78
Belgian Franc 100	1.625	3.358	6.328	721.4	14.52	5.731	6.815	2825.	3.879	100.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.20-10.30 per cent; three months 10.35-10.45 per cent; six months 10.55-10.65 per cent; one year 10.45-10.55 per cent.

Apr. 4	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian \$	Japanese Yen
†Short term	11¾-12⅛	9⅞-10⅛	9-10	7¼-7½	[illegible]	5¼-5⅜	6⅝-6⅞	16-18	—	4¾-2⅛
7 day's notice	[illegible]	10-10¼	9-10	6⅞-7⅛	[illegible]	5¼-5⅜	6⅝-6⅞	10½-11½	9 1/16-9 3/16	3⅛-4⅛
Month	11⅞-12¼	9⅝-9⅞	11-11¼	6⅝-6⅞	⅜-⅞	5 1/16-5 3/16	6⅞-7⅛	10¾-11¼	9 7/16-9 9/16	4⅜-5⅜
Three months	11⅞-12	10 1/16-10 3/16	11-11¼	6⅞-7⅛	¾-1	5¼-5 ...	7⅜-7⅞	11-12	10 1/16-10 3/16	5 ...-5 ...
Six months	11⅝-11¾	10⅜-10½	11-11⅛	7-7¼	1⅛-1 3/16	5½-5⅝	8⅜-8⅝	11¾-12¾	10⅜-10½	6 ...-6 ...
One year	11⅜-11½	10 7/16-10 9/16	11 1/16-11 3/16	7¼-7½	1 1/16-1 3/16	5 ...-5 ...	9-9¼	12¼-13¼	10 7/16-10 9/16	6⅝-6 ...

Long-term Eurodollar deposits: two years 10 5/16-10 7/16 per cent; three years 10 5/16-10 7/16 per cent; four years 10 5/16-10 7/16 per cent; five years 10¼-10⅜ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

INTERNATIONAL CAPITAL MARKETS

European rates mixed

The West German Bundesbank decision to raise its discount and lombard rates by 1 per cent last week, has had little repercussion on other European interest rates so far. The Belgian National Bank left its own discount and lombard rates unchanged yesterday, despite the weakness of the Belgian franc in the European Monetary System. Support for the Belgian currency by the central bank lifted the franc off its floor against the Danish krone for the first time this week.

In Holland money market conditions remain tight, and are likely to do so until at least the middle of the month. An increase in the note circulation ahead of Easter will add to the shortage caused by seasonal tax payments.

Payment on a Fl 700m state bond issue has contributed to the tight conditions, but has been somewhat offset by a central bank special loan facility announced last week, for a 21-day period ending April 20, by which time market conditions are expected to improve.

No change in the Dutch discount rate is expected in the near future. Germany's recent move has made a cut in Holland's rate unlikely.

Call money firmed to 7⅜-7⅝ per cent from 7¼-7½ per cent in Amsterdam, with one-month at 7⅜-7⅝ per cent, compared with 7¼-7½ per cent; three-month at 7⅜-7⅝ per cent, compared with 7¼-7½ per cent; while six-month was unchanged at 7¼-7½ per cent.

FRANKFURT — Call money eased to 5.25-5.35 per cent from 5.30-5.40 per cent, but other rates were firmer, with one-month rising to 5.25-5.35 per cent from 5.00-5.20 per cent; three-month to 5.40-5.50 per cent from 5.15-5.35 per cent; six-month to 5.60-5.70 per cent from 5.30-5.50 per cent; and 12-month to 5.80-6.00 per cent from 5.80-5.90 per cent.

PARIS—Day-to-day money was unchanged at 6½ per cent, but period rates were slightly easier in some cases. One-month was unchanged at 6 11/16-6 13/16 per cent, while three-month fell to 6 15/16-7 1/16 per cent from 7-7⅛ per cent. Six-month was unchanged at 7¼-7⅜ per cent, but 12-month eased to 7 11/16-7 13/16 per cent from 7¾-7⅞ per cent.

UK MONEY MARKET

Further surplus

Bank of England Minimum Lending Rate 12 per cent (since March 1, 1979)

Day-to-day credit was in very good supply in the London money market once again, and the authorities sold an extremely large amount of Treasury bills to the discount houses and banks to absorb the surplus.

Banks brought forward very large surplus balances, and the market was also helped by a very large excess of Government disbursements (mainly in the form of the rate support grant) over revenue payments to the Exchequer. These outweighed a very large amount due as the balance of call on the long tap gilt edged stock, and a very small net take-up of Treasury bills.

Discount houses paid up to 12 per cent for secured call loans in the early part, but closing balances were found at 7½-9 per cent.

In the interbank market overnight loans opened at 12-12¼ per cent, and rose to 12¼-12⅝ per cent, but fell sharply to 10-10½ per cent on expectations of very easy market conditions. Rates closed at 8-10 per cent.

Rates in the table below are nominal in some cases.

LONDON MONEY RATES

Apr. 4 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	8-12⅝	—	—	—	10¾-11	7½-9	—	—	—
2 days notice	—	—	12¼-12½	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	11¼-11⅛	12⅜-12¾	—	12	11¾-12	11-12	—	—	—
One month	11 13/16-11 15/16	11⅝-12	12⅛-12⅜	12⅝-12⅝	12	12¼	11½	11 9/16-11⅝	11⅞-12	12½
Two months	11 13/16-11 15/16	11 13/16-12	—	11⅞-12¼	12	—	11¼-11½	11 9/16-11⅝	11¾-11⅞	12⅝
Three months	11 13/16-11⅝	11 13/16-11⅞	11⅞-12	11⅝-11¾	12	12⅛	11½	11 9/16-11¼	11½	12¼
Six months	11⅛-11	11⅛-11 11/16	11⅛-11⅜	10¾	11⅝	—	—	—	10⅝	12
Nine months	11-10⅞	11-11¼	—	10¾-11	11¼	—	—	—	—	—
One year	10⅞-10 15/16	10¾-10 15/16	10¾-11	10¾-11	11¼	—	—	—	—	—
Two years	—	—	11⅛-11½	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. * Long-term local authority mortgage rates nominally three years 11⅝-11¾ per cent; four years 11⅝-11⅞ per cent; five years 11⅞-12 per cent. ⊕ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 11⅝-11¾ per cent; four-month trade bills 12 per cent.

Approximate selling rates for one-month Treasury bills 11¾ per cent; two-month 11 7/32-11⅛ per cent; three month 11 1/32-11⅛ per cent. Approximate selling rate for one-month bank bills 11⅝-11⅞ per cent; two-month 11⅝-11⅞ per cent; and three-month 11⅜-11 7/16 per cent; one-month trade bills 12⅝ per cent; two-month 12⅝ per cent; and three-month 12⅜ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from April 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 10.5 per cent. Clearing Bank Rates for lending 13 per cent. Treasury Bills: Average tender rates of discount 11.4397 per cent.

GOLD

Weaker trend

Gold lost \$1½ an ounce in the London bullion market yesterday to \$238¾-239¼. The metal opened at \$239-239¾ and was fixed during the morning at \$239.80. Trading remained quiet for most of the day and the closing level represented the day's low. The Kruggerrand's premium over its gold content narrowed to 8.94 per cent from 9.09 per cent for domestic delivery but widened from 3.06 per cent to 3.40 per cent in international dealings.

In Paris the 12½ kilo bar was fixed at Fr 33,550 per kilo (\$241.33 per ounce) compared with Fr 33,575 (\$241.38) in the morning and Fr 33,600 (\$241.24) on Tuesday afternoon.

	Apr. 4	Apr. 3
Gold Bullion (fine ounce)		
Close	\$238¾-239½ (£115.5-115.9)	\$240¼-241 (£116.2-116.6)
Opening	\$239-239¾ (£115.7-116.1)	\$239¼-240 (£115.7-116.1)
Morning fixing	\$239.80 (£116.047)	\$239.90 (£116.006)
Afternoon fixing	\$239.75 (£116.017)	\$240.00 (£116.225)
Gold Coins, domestically		
Krugerrand	\$258½-262½ (£125-127)	\$260½-264½ (£126-128)
New Sovereigns	\$67¼-69¼ (£32½-33½)	\$68¼-70¼ (£33-34)
Old Sovereigns	\$73-75 (£35¼-36¼)	\$73-75 (£35¼-36¼)
Gold Coins, internationally		
Krugerrand	\$246¼-248¼ (£119-120)	\$247-249 (£119½-120½)
New Sovereigns	\$62¼-64¼ (£30-31)	\$62½-64½ (£30¼-31¼)
Old Sovereigns	\$73-75 (£35¼-36¼)	\$73-75 (£35¼-36¼)
\$20 Eagles	\$316½-321½	\$316½-321½
\$10 Eagles	\$182-187	\$182-187
\$5 Eagles	\$121-126	\$121-126

MONEY RATES

NEW YORK

Prime Rate	11.5-11.75
Fed Funds	10
Treasury Bills (13-week)	9.52
Treasury Bills (26-week)	9.52

GERMANY

Discount Rate	4
Overnight Rate	5.30
One month	5.30
Three months	5.45
Six months	5.65

FRANCE

Discount Rate	9.5
Overnight Rate	6.5
One month	6.75
Three months	7
Six months	7.3125

JAPAN

Discount Rate	3.5
Call (Unconditional)	4.6875
Bills Discount Rate	4.875

Dow gains 4.07 more in heavy early trade

INVESTMENT DOLLAR PREMIUM
$2.60 to £1—55¼% (55¼%)
Effective $2.0670 23¾% (23¼%)

FOLLOWING TUESDAY'S sharp rebound, the Wall Street stock market moved broadly higher in heavy volume yesterday morning.

The Dow Jones Industrial Average, up 13 points the previous day, improved 4.07 more to 872.40 at 1 pm. The NYSE All Common Index scored a fresh gain of 35 cents at $57.90, while

Closing prices and market reports were not available for this edition.

advances predominated over declines in the ratio of about three-to-one. Trading volume was a substantial 29.14m shares, well above Tuesday's 1 pm level of 22.59m.

Analysts said investors were impressed with the market's ability to overcome such negatives as the lock-out of striking Teamsters Union members and escalating energy costs.

The recent strength of the dollar and expectations of strong first-quarter corporate profit reports helped to buoy sentiment.

With President Carter's energy message due today, Oils were strong. Decontrol of domestic oil prices over the next two years is expected to be the centrepiece of the plan.

Among the actives, Texaco gained ¼ to $26⅞ and Atlantic Richfield $1 to $63⅞. Schlumberger added $1 to $106¼, Superior Oil $4 to $371 and Getty 1⅞ to $45⅞.

Airline, Rail and some Casino and Utility shares advanced. However, General Public Utilities, owner of the crippled Three Mile Island nuclear plant, shed ⅛ more to $14⅞ in active trading.

Recently strong Columbia Pictures, whose film, "The China Syndrome," depicted a fictional nuclear power plant accident, lost ½ to $24½. A block of 125,000 shares were moved at $24½.

Active General Motors, which is to unveil its new line of compact cars this month, rose $1 to $58⅞. It is looking for a large rise in exports to Europe in the 1980's.

AM International lost 2⅜ to $16¼ on its expectations of a fall in third-quarter net profits.

Financial Federation added 2¼ to $45½ before a trading halt. The company stated that it has received no merger offers.

THE AMERICAN SE Market Value Index advanced 1.40 to 181.25 at 1 pm on a large turnover of 3.61m shares (2.62m).

Dynalectron was again the Amex volume leader but eased ¼ to $5⅞. The shares rose on Tuesday on news that the company is to complete development of a Kennecott Copper coal desulphurisation process.

Canadian Superior Oil put on 1⅞ to $97, Houston Oil ¼ to $20½ and Dome Petroleum 1¼ to $113½.

WTC moved ahead 1¼ to $6.

Canada

Shares were inclined to improve afresh in active early trading yesterday, leaving the Toronto Composite Index 4.3 higher at 1,466.6 at midday.

The Oils and Gas index moved ahead 12.0 further to 2,225.9, while Utilities put on 1.88 to 218.000 and Banks 0.93 to 304.37. Golds, however, shed 2.0 to 1,566.9.

Toronto noon volume rose to 3,414,956 shares from Tuesday's 1,797,064, and included 1,067,300 shares of Onaping Resources. The company made a fixed price offering of 1m shares through exchange facilities before the market opening.

Brascan "A" the most active Industrial, rose ⅛ to C$23¼ on 75,863 shares.

Norcen Energy gained ⅛ to C$21¼ and Canadian Pacific ⅛ to C$28⅛.

Tokyo

Following the recent broad retreat, the market put on a mixed performance yesterday, helped by selective buying interest from institutional investors. Business was again moderate, with turnover reaching 240m shares, against Tuesday's 260m.

Declining issues on the First Market sector outpaced gains by 333 to 275, but the Nikkei-Dow Jones Average recovered 4.11 to 6,039.18.

Export-oriented issues attracted good demand on hopes of increased profitability from the dollar's recent rising trend. Among Light Electricals, Sony advanced Y30 to Y1,810, Pioneer Electronic Y70 to Y2,250, TDK Electronic Y40 to Y1,840, and Victor Japan Y40 to Y1,190, while Camera concern Canon moved ahead Y23 to Y573. Honda Motor rose Y22 to Y495.

Toyo Kogyo climbed Y29 to Y290 among firm speculative issues.

Electric Power issues retrieved part of Tuesday's falls, with Kansai Electric Power picking up Y30 to Y940.

Paris

The announcement of a FFr 5.8bn investment incentive package for French industry gave Paris Bourse prices a boost in the last few minutes of trading in an otherwise lacklustre session. The Bourse Industrials index closed 0.5 higher on the day at 76.4.

Electricals, Banks, Foods, Constructions and Motors were mostly firmer at the close, but Stores and Metals recorded irregular movements while Oils and Chemicals were easier.

Chargeurs Reunis advanced about 7 per cent, while others notably firmer included Simco, Carrefour, Bouygues, BSN, Legrand, Saunier-Duval, Club Mediterranee, Presses de la Cite, Moulinex, Chiers and Saone.

Losing ground were Cofimeg, Moet-Hennessy, Galeries Lafayette, Marine-Wendel, Elf-Aquitaine, Cotelle, Penarroya and Creusot-Loire, which on Tuesday reported that its 1977 loss had widened sharply from last year.

Germany

Shares retained a firming tendency in light trading, with sentiment aided by the overnight Wall Street advance and a generally higher Domestic Bond market. The Commerzbank index rallied another 3.9 to 786.5.

Leading issues recorded moderate gains, but traders said they were disappointed by the lack of interest from the general public, adding that most of the business represented some buying by institutional investors and both buying and selling on the part of foreign investors.

Machine Manufacturers continued to recover after their recent weakness which reflected the US nuclear reactor mishap in Harrisburg, Pennsylvania. Babcock were DM 2 higher, while Mannesmann put on DM 2.80 and GHH DM 1.

Thyssen gained DM 1 in Steels, while elsewhere, Degussa improved DM 2.30. VEM advanced DM 2.80 in Utilities.

Gains of up to 40 pfennigs were registered in Public Authority paper on the Domestic Bond market. The Bundesbank sold DM 13.8m nominal of stock. Banks were prepared to bid up to the issue price for the Federal Government loan, launched on Monday. Mark Foreign Loans were narrowly mixed, however.

Australia

Stocks tended to lose ground in fairly quiet trading, leaving the Sydney All Ordinaries index 3.44 down at 581.52.

Market leader BHP receded 20 cents to A$11.50, while ICI Australia slipped 5 cents to A$2.15, but Nicholas International gained 3 cents to 96 cents.

In stores, Myer were unaltered at A$1.75 despite announcing improved half-year results.

Kelvinator, however, advanced 20 cents to A$1.90 on Email stating that it will bid for the shares it did not acquire in the take-over battle which ended last week. Email declined 7 cents to 95 cents.

Sidney Cooke, the fasteners and adhesives group, jumped 43 cents to A$1.90.

Among the Minings sector, Bougainville Copper retreated 7 cents to A$1.92, Consolidated Goldfields 15 cents to A$3.70, MIM 5 cents to A$3.17, Western Mining 4 cents to A$2.26 and Coal and Allied 6 cents to A$5.24, but Uranium issue Pancontinental rallied 20 cents more to A$10.90.

Switzerland

Spurred on by increased foreign investment demand, stock prices generally moved ahead in active trading. The Swiss Bank Corporation Industrial index gained 2.6 to 318.6.

Alusuisse rose 25 to SwFr 1,455, Brown Boveri "A" 50 to SwFr 1,900, Sandoz 60 to SwFr 4,350 and Electrowatt 65 to SwFr 2,030.

Domestic and Foreign Bonds stabilised in a mixed market.

Hong Kong

A slightly firmer tone prevailed yesterday after the market's recent depression, although business was very thin ahead of today's local holiday.

Hong Kong Bank put on 10 cents to HK$12.60.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
◆ DM 50 denom. unless otherwise stated, yields based on net dividends plus tax.
♥ Pta 500 denom. unless otherwise stated.
♣ DKr 100 denom. unless otherwise stated.
♠ SwFr 500 denom. and Bearer shares unless otherwise stated. ¶ Y50 denom. unless otherwise stated. ‡ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

NEW YORK

[illegible]

† Bid. ‡ Asked. § Traded. ‖ New stock.

CANADA

[illegible]

GERMANY ◆

[illegible]

TOKYO ¶

[illegible]

Source Nikko Securities, Tokyo

AMSTERDAM

[illegible]

BRUSSELS/LUXEMBOURG

[illegible]

COPENHAGEN ♣

[illegible]

SWITZERLAND ♠

[illegible]

MILAN

[illegible]

VIENNA

[illegible]

AUSTRALIA

[illegible]

PARIS

[illegible]

BRAZIL

[illegible]

Source: Rio de Janeiro SE.

STOCKHOLM

[illegible]

OSLO

[illegible]

JOHANNESBURG

[illegible]

Financial Rand U.S.$0.77½ (Discount of 34½%)

SPAIN ♥

[illegible]

EUROPEAN OPTIONS EXCHANGE

[illegible]

TOTAL VOLUME IN CONTRACTS
C=Call P=Put

BASE LENDING RATES

A.B.N. Bank	13 %	■ Hambros Bank	13 %
Allied Irish Banks Ltd.	13 %	■ Hill Samuel	§13 %
Amro Bank	13 %	C. Hoare & Co.	†13 %
American Express Bk.	13 %	Julian S. Hodge	14 %
A P Bank Ltd.	13 %	Hongkong & Shanghai	13 %
Henry Ansbacher	13 %	Industrial Bk. of Scot.	12½%
Associates Cap. Corp.	14 %	Keyser Ullmann	13 %
Banco de Bilbao	13 %	Knowsley & Co. Ltd.	14½%
Bank of Credit & Cmce.	13 %	Lloyds Bank	13 %
Bank of Cyprus	13 %	London Mercantile	13 %
Bank of N.S.W.	13 %	Edward Manson & Co.	14 %
Banque Belge Ltd.	13 %	Midland Bank	13 %
Banque du Rhone et de la Tamise S.A.	13½%	■ Samuel Montagu	13 %
Barclays Bank	13 %	■ Morgan Grenfell	13 %
Bremar Holdings Ltd.	14 %	National Westminster	13 %
Brit. Bank of Mid. East	13 %	Norwich General Trust	13 %
■ Brown Shipley	13 %	P. S. Refson & Co.	13 %
Canada Perm't Trust	13 %	Rossminster	13 %
Cayzer Ltd.	13 %	Royal Bk. Canada Tst.	13 %
Cedar Holdings	13 %	Schlesinger Limited	13 %
■ Charterhouse Japhet	13½%	E. S. Schwab	14 %
Choulartons	13 %	Security Trust Co. Ltd.	14 %
C. E. Coates	13 %	Shenley Trust	15 %
Consolidated Credits	13 %	Standard Chartered	13 %
Co-operative Bank	*13 %	Trade Dev. Bank	13 %
Corinthian Securities	13 %	Trustee Savings Bank	13 %
Credit Lyonnais	13 %	Twentieth Century Bk.	14 %
The Cyprus Popular Bk.	13 %	United Bank of Kuwait	13 %
Duncan Lawrie	13 %	Whiteaway Laidlaw	13½%
Eagil Trust	13 %	Williams & Glyn's	13 %
English Transcont.	12½%	Yorkshire Bank	13 %
First Nat. Fin. Corp.	15 %		
First Nat. Secs. Ltd.	14 %		
■ Antony Gibbs	13 %		
Greyhound Guaranty	13 %		
Grindlays Bank	‡13 %		
■ Guinness Mahon	13 %		

■ Members of the Accepting Houses Committee
* 7-day deposits 10½%, 1-month deposits 10¾%.
† 7-day deposits on sums of £10,000 and under 10½%, up to £25,000 11%, and over £25,000 11¼%.
‡ Call deposits over £1,000 10½%.
§ Demand deposits 11%.

Indices

NEW YORK —DOW JONES

	Apr. 3	April 2	Mar. 30	Mar. 29	Mar. 28	Mar. 27	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
◆ Industr'ls	868.33	855.25	862.18	866.77	868.25	871.36	888.33 (5/4)	807.00 (27/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	84.59	84.61	84.59	84.62	84.68	84.39	85.90 (2/2)	84.09 (15/1)	—	—
Transport.	238.18	225.36	225.17	224.19	225.80	225.70	230.18 (3/4)	205.78 (27/2)	279.88 (7/2/69)	12.23 (8/7/32)
Utilities	104.15	105.52	104.19	104.63	104.77	104.88	104.91 (31/1)	98.10 (2/1)	165.32 (20/4/69)	10.58 (28/4/42)
Trading vol 000's†	35,580	29,040	30.140	28,520	29,920	33,040	—	—	—	—

◆ Day's high 870.67 low 854.21

	Mar. 23	Mar. 16	Mar. 9	Year ago (approx)
Ind. div. yield %	5.75	5.80	5.82	6.16

STANDARD AND POORS

	Apr. 3	April 2	Mar. 30	Mar. 29	Mar. 28	Mar. 27	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
‡Industl's	114.37	112.61	113.38	113.81	114.05	114.48	116.69 (9/1)	107.08 (27/2)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	102.40	100.90	101.59	102.03	102.12	102.48	102.48 (27/3)	96.13 (27/2)	125.85 (11/1/73)	4.40 (1/6/32)

	Mar. 30	Mar. 28	Mar. 21	Year ago (approx)
Ind. div. yield %	5.74	4.99	5.03	5.46
Ind. P/E Ratio	8.44	8.56	8.58	8.46
Long Gov. Bond Yield	9.02	8.98	9.02	8.15

N.Y.S.E. ALL COMMON

Apr. 3	April 2	Mar. 30	Mar. 29	1979 High	1979 Low
57.55	56.73	57.15	57.34	57.55 (3/4)	53.88 (27/3)

Rises and Falls	April 3	April 2	Mar. 30
Issues Traded	1,909	1,885	1,897
Rises	1,161	430	645
Falls	358	1049	761
Unchanged	390	406	491
New Highs	66	34	—
New Lows	16	31	—

MONTREAL

[illegible]

TORONTO

[illegible]

JOHANNESBURG

[illegible]

[illegible]

TUESDAY'S ACTIVE STOCKS

[illegible]

هكذا من الأصل

Copper strike fear recedes

By Our Commodities Editor

COPPER PRICES fell back on the London Metal Exchange yesterday as the threat of a strike at Noranda's Canadian Copper Refinery receded.

Cash wirebars closed £14 down at £999.5 a tonne, more than £60 below the five-year peak reached less than a fortnight ago.

Employees at the Canadian Copper Refinery continued to work after the strike deadline yesterday and negotiations on the terms of a new labour contract have been resumed.

These are now being linked, it is understood, with new efforts to settle the lengthy strike at Noranda's Gaspe mine.

Union leaders are scheduled to meet refinery workers on Sunday.

Meanwhile a further series of price cuts in U.S. domestic copper selling prices were announced by leading producers. These included a three-cent reduction to 95 cents a lb. by Phelps Dodge and further cut of 2 cents to 96 cents by Asarco.

Anaconda said it was reducing its premium for cathodes over the New York market price, by one cent to 2.5 cents a lb.

Uganda coffee shipments halted

By Our Commodities Staff

UGANDA has declared *force majeure* on coffee deliveries because of the fighting within the country.

Movement of coffee between Kampala, the Ugandan capital, and the Kenyan port of Mombasa has come to a standstill, the chairman of the Ugandan Coffee Marketing Board said. "This means that the Board will not be able to fulfil its contractual obligations from April onwards," he added.

But the announcement had little impact on the London futures market where the July position fell £9 to £1,476.5 a tonne.

Dealers said most Ugandan contracts had already been fulfilled. "Nobody is buying very far forward in view of the situation out there," one commented.

At the International Coffee Organisation meeting in London meanwhile little progress has been made towards a realistic coffee price stabilisation scheme.

Poultry 'plague' outbreak poses new threat

BY CHRISTOPHER PARKES

MORE THAN 8,000 turkeys have been slaughtered on a Norfolk farm following an outbreak of a rare and deadly disease, fowl plague, which was last recorded in this country in 1963.

The infected farm has been isolated, all the carcasses have been destroyed and the farmer has been compensated to the full value of the birds from Government funds.

There is no known cure for the disease, which has a 90 to 100 per cent mortality rate.

Meanwhile, the Ministry of Agriculture yeserday confirmed the 13th outbreak of swine vesicular disease in Britain since it reappeared after a two-year absence in February.

The outbreak was discovered in Newcastle-under-Lyme, Staffordshire, making it the third found outside the original focus of infection in North Humberside.

More than 34,000 pigs have now been slaughtered at a cost of more than £1.5m. There have been eight reported cases of the disease since blanket restrictions on movements of pigs in the area were lifted last month.

A Ministry veterinary inspector just back from France reported that up to last Friday there had been 13 cases of foot-and-mouth disease in the latest outbreak in the Calvados and Manche departments.

The French Ministry of Agriculture has still not traced the source of the virus, although strict controls had been imposed to prevent any further spread.

More than 1,500 cattle and pigs have been slaughtered, all other stock in the area have been re-vaccinated, and the export sections of the region's two slaughterhouses have been closed.

British vets in south coast areas have been warned to keep a careful watch on stock. Tourists have been asked to keep clear of farms in the infected region and not to visit UK farms for at least 14 days after their return to this country.

In the last outbreak of the disease here in 1967 and 1968 more than 400,000 animals were slaughtered at a cost of £27m.

The European Commission for the Control of Foot-and-Mouth Disease warned at its 25th anniversary meeting that the EEC remained vulnerable to the virus.

There were 28 cases in Italy last year, for example, and there were also outbreaks in France and West Germany.

The Commission suggested there should be further tightening of controls over international trade in meat. There was evidence, it said, of meat entering Greek ports, undergoing a change of identity, and entering Europe "by means of misleading certification."

Vaccination programmes in Greece and Turkey, supported by the UN Food and Agriculture Organisation and partly paid for by the European Community, had been satisfactory.

The aim of the programmes is to vaccinate all stock in a buffer zone to prevent the spread into Western Europe of exotic strains of the disease from Africa and the Near East.

The FAO has now been asked to study the possibility of establishing a vaccine reserve in case of emergencies.

Chile rejects apple import curb

BY OUR COMMODITIES EDITOR

CHILE HAS refused to agree to EEC demands for a cut in imports of southern hemisphere apples this year, according to fruit trade sources.

The EEC, worried by the surplus of domestic apple supplies within the Community, requested the five main supplying countries, voluntarily to reduce shipments of apples by some 15 per cent.

After tough negotiations last week four of the countries—South Africa, Argentina, New Zealand and Australia—agreed to quotas aimed at reducing total supplies from 380,000 to 313,000 tonnes, against the original EEC target of a cut to 280,000 tonnes. However Chile is understood to have walked out of the talks.

The EEC Commission is now faced with the problem of imposing cumbersome import controls on Chilean apples, otherwise it will face protests from other suppliers who have reluctantly agreed to cut back their shipments.

No official figures have been issued. But it is understood that the "quotas" agreed are 123,000 tonnes for South African apples (against 145,000 last year); 72,000 for Argentina, 45,000 for New Zealand; 31,000 for Australia and provisionally 42,000 for Chile.

The EEC move to restrict southern hemisphere imports follows a poor year for domestic apple growers, especially in the UK where prices were undermined by producers dumping large quantities of poor quality apples on the market.

A bumper crop in the Community of 6.7m tonnes has left unsold stocks at the normal end of the season of some 530,000 tonnes in France and 108,000 tonnes in Britain, according to Commission estimates.

Nevertheless UK fruit trade sources are far from happy about the curb on "summer" apple imports. Mr. Joe Saphir, chairman of the Saphir fruit importing group, at a reception to mark the start of the South African season, said restricting supplies was not the way to create the right atmosphere for selling apples.

His group has extended its selling season for British Cox apples by a month to mid-May. But Mr. Saphir said adequate supplies of fresh Cape apples helped to stimulate demand generally.

Other trade sources were more forthright. They claimed that the curb on "summer" apples was aimed mainly at promoting sales of "geriatric" French golden delicious.

Commodity centre backed

By John Edwards, Commodities Editor

THE GOVERNMENT belatedly confirmed in the Commons yesterday that it would support in principle the establishment of a World Commodities Centre in London.

But it added that the commitment of public funds would have to wait until after the General Election.

Mr. Evan Luard, Foreign Office Parliamentary Secretary of State, said the Government envisaged the proposed Centre would accommodate not only the seven international commodity organisations already in London, but also new organisations formed and in due course the UN common buffer stock fund.

He added that further discussions would be held with the commodity organisations, but it would in future be handled by the Department of Trade.

Supporters of the proposed Centre, originally suggested in 1976, will undoubtedly be disappointed that the Government has delayed so long in making a decision that the all-important question of a financial commitment has been overtaken by the Election.

City institutions have been asked to raise £3m towards the cost of the Centre with the proviso that the Government contributes at least a similar amount. In February the Greater London Council said it was prepared to give £0.25m.

EEC sugar exports

BRUSSELS—The EEC Commission authorised exports of 57,500 tonnes of white sugar at its weekly tender yesterday, compared with 59,500 tonnes a week ago.

A maximum export rebate of 25.640 units of account per 100 kilos (25.482 last week) was granted.

Reuter

Bacon subsidy cuts expected

By Our Commodities Staff

COMMON MARKET import subsidies on bacon and beef from Denmark and Ireland will fall sharply next week as a result of the devaluation of the Green Pound combined with the rising strength of sterling against European currencies.

Reductions in these monetary compensatory amounts (MCAs) will almost certainly force price increases

Estimates published by the Meat and Livestock Commission show that the subsidy on Danish bacon could be cut from 9.36p a pound to 6.6p next Monday. The MCA on beef imports will probably fall from 14p a pound to 9.9p.

TEA MARKET

Producers prepare promotion boost

BY BRIJ KHINDARIA IN GENEVA

THE International Tea Promotion Association, a unique tea marketing group made up of the main producing countries, becomes operational this week after almost three years preparation.

This happens at a time when world tea prices are forecast to continue their downward slide because of sluggish demand, particularly in developed nations.

Tea prices began a downturn in 1978 and could return to the low levels of 1974-78 in real terms in the coming years, according to a Food and Agriculture Organisation (FAO) study cited by officials here.

The slide follows on an unusual price boom in early 1977 because of widespread fears of shortages arising from a slowdown in African supplies and firmer demand from the Near East.

Hoping to put the brakes on this prospect of worsening terms of trade, the governing board of the ITPA will draw up a programme of work and priorities for the period 1979-1980, designed to promote consumption of tea in a general, rather than favouring the exports of particular countries or increasing the sales of specific brands.

The meeting that opened here on Monday is the first session of the association's decision-taking governing board. Apart from the association's programme of work, the board must appoint an executive director of the association and choose a location for its headquarters.

Britain has offered to house the association in London but has so far refused to offer the diplomatic and other financial privileges normally accorded to inter-governmental organisations.

Holland and West Germany have entered competing bids with offers to site the headquarters in Rotterdam or Hamburg. Both countries are offering full diplomatic privileges but suffer the disadvantage of being considerably more expensive to live in than London.

The ITPA gets underway in an atmosphere of some apprehension in the tea trade among the main developed consuming nations. They fear that talks among producers to sell more tea could turn into supply management discussions if the attempt to strengthen prices through expanded demand runs into obstacles.

The FAO report, which contains tea supply, demand and trade projections up to 1985, says that the key to tea market problems lies in "the willingness of exporting countries to co-ordinate and harmonise their national tea policies."

The FAO study forecasts that by 1985 almost half the world demand for tea will come from developing countries, mainly the major producers themselves. Total demand in industrialised nations, the traditional importers, is likely to grow at only 1.3 per cent a year compared with a 4 per cent yearly growth rate in developing countries.

A growing cause of tension among ITPA members so far has been the rivalry between the younger and more dynamic African black tea estates and the older, higher-cost and more heavily taxed Indian and Sri Lankan industries which need higher prices for survival.

A source of friction between the older tea exporters and the tea industry in industrialised countries, such as Britain, is the growing insistence of exporters on selling packaged rather than loose tea. Traditionally tea was bought in crates from the developing nations and re-exported in packaged form under registered brand names by the large traders based in industrialised countries.

Australia to ban whale hunting

BY RICHARD MOONEY

AUSTRALIA PLANS to ban whale hunting in its coastal zone, which is to be extended to 200-miles shortly.

If a similar zone is declared off Australia's Antarctic territory whaling will be banned there too. Mr. Malcolm Fraser, the Prime Minister told Parliament yesterday.

He also said Australia would ban imports of whale products from January 1, 1981.

Extension of the Australian coastal zone had been planned for mid-March but has been delayed pending fisheries negotiations with South Korea and Japan.

Only about 10 whales a year are currently being killed within 200 miles of the Australian coast, according to a Government spokesman. But many more are taken in the country's prospective antarctic zone. Mainly sperm whales and some minke whales are caught in the areas in question.

Politically, the planned ban on whale product imports may be more important than the ban on hunting. The Friends of the Earth conservationist group believes this move could increase pressure on other importers, notably the UK, to rethink their positions on this question.

The U.S. had already banned such imports.

The ban would also cover goods containing whale products. Sperm whale oil is widely used for softening leather so this ban could close the Australian market to many shoe and garment manufacturers if they do not switch to the use of substitutes.

The announcement is especially pleasing to conservationists as only a year ago Australia was actively engaged in whaling itself. Its last whaling station, operated from Albany, Western Australia, by Cheynes Beach Holdings, ceased operating last summer.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Lost ground on the London Metal Exchange. The weakness of overnight U.S. markets coupled with news that Noranda workers had not gone on strike saw forward metal fall to £990 on the early pre-market. However, this level attracted a fair amount of trade buying and the price picked up to £1,018 just prior to the Comex opening. This proved lower than anticipated and forward metal fell away to close on the late kerb at £1,004. Turnover: 41,375 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1000-1	-7.25	999-1000	-14
3 months	1006.5-7.5	-18.5	1006-7	-18
Settl'm'nt	1001	-7	—	......
Cathodes				
Cash	1004-5	-8	1002-3	-14.5
3 months	1003.5-4.5	-12	1003-4	-14.5
Settl'm'nt	1005	-8	—	......
U.S. Smt.	—	......	[illegible]	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £1,000, 1, 1.5, three months £997, 98, 1,002, 3, 5, 4, 3, 4, 3.5, 4, 3.5, 4, 5, 7, 8, 7.5, 8. Cathodes: Three months £1,004. Kerb: Wirebars, three months £1,008, 9, 10, 11, 12, 11, 10, 11, 12. Afternoon: Wirebars, cash £1,000, three months £1,018, 19, 18, 16, 15, 16, 17, 16.5, 16, 10, 8, 8.5, 9, 8, 7, 6, 5, 6, 7, 6. Cathodes: cash £1,008, 4, 3. Kerb: Wirebars, three months £1,007, 8, 9, 10, 9, 8, 7, 7.5, 7, 6.5, 6, 7, 6, 5, 5.5, 5, 4, 5.

TIN—Lower. A fall in the Penang market coupled with news that the House of Representatives had passed another stage of the U.S. stockpile disposals bill saw forward metal open at £6,980. However, bear covering and covering against physical business prompted a rally which lifted the price to £7,060. Towards the close a downturn in copper affected sentiment in tin which dipped to end at £7,030. Turnover 990 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7200-10	-115	7180-200	-135
3 months	7070-90	-100	7055-75	-115
Settlem't	7210	-110	—	......
Standard				
Cash	7155-65	-75	7130-40	-115
3 months	7040-50	-100	7025-35	-107.5
Settlem't	7165	-75	—	......
Straits E.	‡1915	-20	—	......
New York	—	......	—	......

Morning: Standard, cash £7,160, three months £7,050, 40, 50, 35, 40, 45. High Grade, cash £7,250, 40, 30, 10. Kerbs: Standard, three months £7,050, 60. Afternoon: Standard, three months £7,070, 75, 50, 40, 30. Kerbs: Standard, three months £7,045, 50, 55, 50.

LEAD—Held steady on balance. Forward metal fell to £518 on the early pre-market, reflecting the initial weakness of copper, but then rallied to touch £529.5 before closing at £526.5. Turnover 11,775 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	566-7	+4	563-4	+2.5
3 months	529.5-30	+1.5	529-30	+3.25
Sett'ment	567	+4	—	......
U.S. Spot	—	......	*44	-6

Morning: Cash £566, 64, 65, 66, three months £523, 24, 25, 27, 28, 29. Kerb: Three months £529, 29.5, 29, 28, 29. Afternoon: Three months £532, 33, 32, 31.5, 31, 31.5, 30, 29, 28.5, 28. Kerb: Three months £529, 28, 27, 26, 27.

ZINC—Barely changed in subdued trading with forward metal moving between £391 and £398 before closing at £395. Turnover 2,350 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	385-7	+.75	384-5	-.5
3 months	397.5-8	+1.5	395-6	-1
S'ment	387	+1	—	......
Prim.west	—	......	*37.5	-.5

Morning: Three months £396, 97, 98, 97. Kerb: Three months £397. Afternoon: Three months £398, 96.5, 96.

ALUMINIUM — Fell away under physical hedge selling and reflecting the downturn in other metals. After opening around £758, forward metal dropped to the day's low of £752 prior to closing at £753. Turnover 5,650 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	756-7	-11	754-5	-12
3 months	756-7	-11	756-7	-11

Morning: Three months £760, 59, 58.5, 58, 58, 57.5, 59, 58, 57, 58, 57, 56, 55, 56. Afternoon: Cash £755, 54, 55, three months £758, 59, 59.5, 58, 58.5, 59, 58.5, 56, 57. Kerbs: Three months £756, 55, 53, 52, 53.

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1485-1487	+13.5	1513-1476
July	1476-1477	-09.0	1498-1466
September	1490-1492	-16.5	1510-1488
November	1498-1500	-18.5	1517-1000
January	1504-1505	-16.5	1520-1505
March	1497-1504	-12.0	1508-1505
May	1490-1506	-27.0	1510

Sales: 3,744 (5,339) lots of 5 tonnes.

ICO indicator prices for April 3: (U.S. cents per pound): Colombian Mild Arabicas 137.00 (135.00); unwashed Arabicas 144.0 (same); Robustas ICA 1968 138.50 (137.50); Robustas ICA 1976 137.50 (136.50); other Mild Arabicas 133.50 (132.00). Composite daily average 139.25 (123.47).

GRAINS

LONDON FUTURES (GAFTA)—Old crops opened 15p up on wheat old crop and values remained steady throughout the day in thin volume. Old crop barley saw good support and closed 30p up on the day and reasonable trading. New crops again came under selling pressure and values eased during the session to close 30-45p down on wheat and 10-30p down on barley. Acli reported.

	WHEAT		BARLEY	
M'nth	Yesterday's close	+ or —	Yesterday's close	+ or —
May	100.75	-0.15	96.85	-0.30
Sept.	92.50	-0.45	86.60	+0.10
Nov.	95.50	-0.30	89.75	-0.20
Jan.	99.10	-0.30	93.30	-0.30
Mar.	102.05	-0.45	96.50	-0.20

Business done—Wheat: March 100.80-100.70, Sept. 92.80-92.40, Nov. 95.65-95.45, Jan. 99.25-99.00, March 102.00-102.00. Sales 150. Barley: March 97.00-96.75, Sept. 86.75-86.60, Nov. 89.85-89.75, Jan. 93.40-93.30, March 96.35-96.35. Sales 194.

HGCA—Location ex farm spot prices. Other Milling Wheat: Essex 98.00. Feed Barley: Shropshire 94.70.

The UK monetary coefficient for the week beginning Monday April 9 will decrease to 1.231.

IMPORTED—Wheat: CWRS No. 1, 13½ per cent, unquoted. U.S. Dark Northern Spring No. 2, 14 per cent, April-May 81.50, May 80.50, June 79.25, transhipment East Coast. U.S. Hard Winter, 13½ per cent, unquoted. EEC unquoted. Maize: U.S./French April 111, May 112, transhipment East Coast. South African White unquoted. South African Yellow May 77.00 nom. Barley: English Feed fob April 98.50, April-June 99.00, Oct.-Dec. 92.25, Jan.-March 97.50, East Coast.

EEC IMPORT LEVIES—The following levies and premiums are effective for April 5 in order of current levy plus May, June and July premiums (with previous in brackets) all in units of account per tonne. Common Wheat 88.19 3.19 3.19 4.72 (88.99 nils). Durum wheat 132.68 1.23 1.23 0.92 (134.78 nils). Rye 88.99 nils (88.99 nils). Barley 91.86 0.18 0.18 0.18 (91.86 0.18 0.18 0.18). Oats 87.94 nils (87.84 nils). Maize (other than hybrid for seeding) 79.29 nil nil 0.33 (79.29 nil nil 0.381). Buck-wheat 1.97 nils (3.25 nils). Millet 81.25 nils (81.88 nils). Grain sorghum 86.77 nils (87.96 nils). Flour levies: Wheat or mixed wheat and rye flour: 135.39 (136.51). Rye flour: 136.50 (136.50).

SILVER

Silver was fixed 4.75p an ounce lower for spot delivery in the London bullion market yesterday at 354.55p. U.S. cent equivalents of the fixing levels were: spot 733.1c, down 9.9c; three-month 749.7c, down 10.4c; six-month 768.9c, down 11.0c; and 12-month 791.0c, down 11.8c. The metal opened at 354-355p (732-734c) and closed at 351½-352½p (727-729c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. close	+ or —
Spot	354.55p	-4.75	352.25p	-3.4
3 months	363.65p	-5.85	361.15p	-3.35
6 months	372.25p	-5.10	—	......
12 months	384.9p	-5.2	—	......

LME—Turnover 180 (142) lots of 10,000 ozs. Morning: Three months 364, 4.8, 65.2, 65, 5.1, 5.2, 5.1. Kerbs: Three months 365.1, 64.9. Afternoon: Three months 365, 64.8, 65, 5.1, 61.5, 61, 1.5, 1.8, 62, 1.8, 1.85, 1.7, 1.5, 1.3. Kerbs: Three months 361.8, 1.6, 1.8.

COCOA

Values opened at new lows but found light support and closed slightly better on balance. Physicals were neglected, report Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
May	1835.0-37.0	+8.5	1857.0-14.0
July	1817.0-19.0	+18.5	1819.0-1595
Sept.	1846.0-47.0	+18.0	1848.0-31.0
Dec.	1711.0-12.0	+4.0	1712.0-01.0
March	1740.0-45.0	+4.0	1745.0-35.0
May	1769.0-70.0	+5.0	1760.0
July	1775.0-1800	+7.5	—

Sales: 2,053 (3,758) lots of 15 tonnes.

International Cocoa Organisation (U.S. cents per pound): Daily price April 3 147.18 (149.28). Indicator prices for April 4 15-day average 151.15 (151.91); 22-day average 153.08 (153.56).

COFFEE

ROBUSTAS opened slightly higher with the exception of the spot month which rallied sharply soon after reports that Uganda had declared force majeure on coffee deliveries because of the escalating war between Uganda and Tanzania, reports Drexel Burnham Lambert.

In the afternoon the market remained buoyant throughout before trade and dealer interest contributed towards an irregular close and values finished up to £17 lower on the day while May settled 13.5 higher.

RUBBER

EASIER opening on the London physical market. Good covering orders throughout the day, closing quietly steady. Lewis and Peat reported a Malaysian godown price of 287 (289) cents a kilo (buyer, April).

No. 1 R.S.S.	Yesterday's Close	Previous Close	Business Done
May	60.90-61.15	61.10-61.40	60.90
June	61.90-62.10	62.00-62.25	61.80-61.30
Jy-Sept.	65.15-65.20	65.75-65.85	65.20-62.40
Oct-Dec	64.85-64.90	64.80-64.95	64.85-65.75
Jan-Mar	66.60-66.75	66.20-66.25	66.50-65.65
Apr-Jne	68.55-68.40	67.90-68.00	68.40-67.90
Jy-Sept.	70.20-70.25	69.75-69.80	70.25-69.15
Oct-Dec	72.05-72.10	71.60-71.65	71.65-70.80
Jan-Mar	73.90-74.05	73.55-73.60	74.00-73.00

Sales: 787 (702) lots of 15 tonnes. 4 (44) lots of 5 tonnes.

Physical closing prices (buyers) were: Spot 60.5p (60.0); May 62.75p (62.25). June 62.75p (62.25).

SOYABEAN MEAL

The London market opened with losses of £1-£1.50 on continued long liquidation, reported T. G. Roddick. Good trade support with consumer interest steadied the market to close at the best levels of the day.

	Yesterday Close	+ or —	Business Done
	£ per tonne		
April	125.50-27.0	+1.75	—
June	124.50-24.7	+0.85	125.50-125.00
August	125.20-26.5	-0.7	127.00-125.70
October	124.20-25.5	-0.7	—
December	124.00-24.2	-0.6	124.50-123.50
February	125.50-26.5	-1.15	124.00
April	124.50-26.5	-1.75	—

Sales: 121 (146) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £99.00 (same) a tonne cif for March-April shipment. White sugar daily price was fixed at £101.50 (same).

Prices were again contained within a narrow range in good two-way trading conditions, reported C. Czarnikow.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
May	105.85-05.50	105.95-04.00	106.50-05.75
Aug.	108.05-09.10	107.75-07.85	109.25-07.75
Oct.	111.90-12.00	110.50-10.55	112.25-10.60
Dec.	115.05-15.15	113.75-13.80	115.25-14.00
March	119.15-19.25	117.85-17.95	118.00
May	121.50-21.40	120.25-20.40	121.40-21.00
Aug.	124.00-24.90	123.50-23.90	—

Sales: 2,589 (2,767) lots of 5 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £264.85 (same) a tonne for home trade and £188.00 (same) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Price for April 3: Daily 8.11 (8.30); 15-day average 8.44 (8.46).

EEC IMPORT LEVIES—The following import levies for white and raw sugar are effective today in units of account per 100 kilos (previous in brackets). White sugar, denatured and non-denatured: 26.72 (26.92). Raw sugar, denatured and non-denatured: 22.12 (unchanged). The rate for raws in both cases is for sugar basis 92 per cent.

WHITE SUGAR—Close (in order buyer, seller, business, sales): July 106.50, 106.60, 106.50-105.75, 81; Sept. 111.45, 111.50, 111.60-110.25, 44; Nov. 114.75, 116.00, nil, nil; Feb. 122.00, 122.25, nil, nil; April 126.75, 127.00, 126.50, 5; July 129.50, 132.00, nil, nil; Sept. 132.50, 136.00, nil, nil. Sales: 130.

WOOL FUTURES

LONDON GREASY—Close (in order seller, buyer): May 246, 240; July 253, 247; Oct. 255, 250; Dec. 255, 250; March 255, 250; May 255, 250; July 255, 250; Oct. 255, 250. Sales: Nil.

NEW ZEALAND CROSSBREDS—Close (in order seller, buyer): May 202, 198; July 206, 202; Oct. 207, 205; Dec. 211, 207; March 213, 207; May 213, 207; July 213, 207; Oct. 213, 207. Sales: Nil.

SYDNEY GREASY—Close (in order buyer, seller, business, sales). Micron Contract: May 396.0, 400.0, 409.0-397.0, 51; July 406.0, 407.0, 418.0-408.0, 65; Oct. 403.0, 404.0, 410.0-403.5, 72; Dec. 400.0, 401.5, 410.0-400.0, 160; March 403.0, 404.0, 412.0-403.0, 71; May 403.8, 404.0, 412.5-403.5, 24; July 407.0, 407.5, 414.0-408.0, 14; Oct. 408.0, 410.0, 417.0-417.0, 1. Sales: 458.

MEAT/VEGETABLES

COVENT GARDEN—Prices in sterling per package except where otherwise stated. Imported produce: Oranges—Spania: Navels 3.00-3.20, Bloods 3.00-3.10; Israeli: Shamouti 4.40-5.40; Cyprus: 3.30-4.20; Moroccan: Valencia Lates 3.70-3.80. Lemons—Italian: 120's 4.80-5.00; Cyprus: Trays 3.40-4.30, Cartons 126/180's 4.00-6.00; Spania: Trays 30/40/45 2.20-2.40, boxes 4.60-5.20. Grapefruit—Cyprus: 2.50-4.20; Israeli: Jaffa 27/88 3.46-4.25. Apples—S. African: Dunn's 5.70-5.80, Golden Delicious 6.60-6.80, Starking 8.50; French: Golden Delicious (40-lb) 138/175's 3.30-4.40, (20-lb) 72's 2.10-2.20, 84's 1.70-1.80; Granny Smith (40-lb) 138/163 4.70-5.30, (20-lb) 72's 3.00, 84's 2.40, (jumble pack) per pound 0.08-0.10, Sterkrimson (40-lb) 138/198's 4.00-5.20, (20-lb) 84's 1.80-2.00, 72's 2.00-2.20, (jumble pack) per pound 0.08-0.10; Starking (40-lb) 150/175's 3.60-5.00; Italian: Granny Smith per pound 0.10-0.11, Rome Beauty approx. 12-lb tray 2.60; Washington: Red Delicious 40-lb 10.00-11.00; Canadian: Starking 7.40-8.40. Pears—Per pound, Italian: Passacrassane 0.13-0.14; S. African: Packham's 6.50-6.80, Williams Bon Chretien 7.25-7.50, Beurre Hardy 5.70-6.20; Chilean: Anjou 7.50-8.00. Plums—S. African: Per pound Kelsey/Sungold 0.45-0.50, Golden King 0.50-0.52. Bananas—Jamaican: Per 28-lb 4.50-4.70. Pineapples—S. African: 10/11's 4.00-4.40; Ivory Coast: each 0.40-0.90. Grapes—S. African: Cartons/Alphonse 6.00, Waltham Cross 6.60-6.80, Barlinka 6.00-6.20, New Cross 6.00. Strawberries—Per 8-oz Israeli: 0.50-0.52; Spanish: 0.50. Avocados—Israeli: 3.50-3.60; S. Africa: 4.00-4.40. Melons—Chilean: White 15 kg 5.50, Green 8/11 6.00; S. African: Small boxes 2.50-3.00; Colombian: Green 4.50, Yellow 4.00. Onions—Dutch: 1.80-2.40; S. African: 22-lb 1.80; Hungarian: 55-lb 2.40; Italian: 10-kg 1.70; Polish: 55-lb 2.50-3.50; Chilean: 5.30-5.50. Tomatoes—Canary: 2.00-4.50; Jersey: Per pound 0.50-0.52. Cucumbers—Canary: 10/16's 2.20-2.80; Dutch: 12/16's 2.80-3.20; Romanian: 12/14's 3.00. Cauliflowers—French: 24's 8.50-9.00; Jersey: 8.30-8.60. Lettuce—Dutch: 24's 3.20. Celery—Spanish: 15/36's 3.60-4.50; Florida: 36's 7.50. Cabbages—Dutch: White, net 5.60-6.00; W. Germany: 5.50-5.80. Potatoes—Canary: 25-kg 4.40-4.50; Egyptian: 50-lb 3.90-4.20; Cyprus: 6.00. Capsicums—Canary: 5-kg 5.40; Cuban: 3.50.

MEAT COMMISSION—Average fatstock prices at representative markets on April 4. GB cattle 72.99p per kg l.w. (+0.99); UK sheep 177.3p per kg est.d.c.w. (+7.8); GB pigs 60.1p per kg l.w. (+1.2). England and Wales: Cattle numbers up 28 per cent, average price 73.48p (+0.46); Sheep numbers up 22.7 per cent, average price 117.3p (+8.0); Pig numbers up 8.4 per cent, average price 60.1p (+1.2). Scotland: Cattle numbers down 46.8 per cent, average price 70.69p (+1.15); Sheep numbers down 42.2 per cent, average price 175.1p (-5.1); Pig numbers up 28.6 per cent, average price 64.2p (-1.3).

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 54.0 to 58.0; Ulster hindquarters 67.0 to 71.0, forequarters 32.0 to 35.0; Eire hindquarters 66.0 to 69.0, forequarters 34.0 to 38.0.

Veal: English fats 56.0 to 74.0; Dutch hinds and ends 88.0 to 92.0.

Lamb: English small (new season) 94.0 to 104.0, medium 90.0 to 94.0. Imported frozen: New Zealand PL (new season) 48.0 to 49.5, PM (new season) 47.5 to 48.5.

Hoggets: English 40.0 to 72.0; Scotch 60.0 to 72.0.

Pork: English, under 100 lb 36.0 to 45.0, 100-120 lb 35.0 to 43.5, 120-160 lb 33.0 to 42.0.

English produce: Potatoes—Per 25-kg 1.70-2.20. Lettuce—Per 12 round 1.60-1.80. Mushrooms—Per pound 0.40-0.50. Apples—Per pound Bramley 0.05-0.10, Cox's Orange Pippin 0.07-0.16;

PRICE CHANGES

In tonnes unless otherwise stated.

	Apr. 4 1979	+ or —	Month ago
Metals			
Aluminium	£710	......	£710
Free Mkt (cs)	$1,550-60	-20.0	$1,475/95
Copper			
Cash w'bar	£999.5	-14.0	£995.5
3 mth	£1006.5	-18.0	£1,011.25
Cash Cathode	£1002.5	-14.5	£998.5
3 mth	£1003.5	-14.5	£1,002.5
Gold troy oz.	$239.125	-1.5	$241.125
Lead cash	£563.5	+2.5	£588.5
3 mth	£529.5	+3.25	£554.25
Nickel	£2480.56	......	£2,350.88
Freemkt(cif)(lb)	$45/50c	......	$210/25c
Platin'm tr'y oz	£159	......	£164.5
Free mkt	£184.25	-5.1	£190.15
Quicksil'ver	$257/62	......	$250/40
Silver troy oz	354.55p	-4.75	368.9p
3 months	363.65p	-5.85	373.1p
Tin cash	£7,135	-115.0	£7,520
3 mths	£7,030	-107.5	£7,210
Tungsten	$137.32	......	$134.1
Wolfrm 22.04cif	$135/38	......	$142/49
Zinc cash	£385	-0.5	£388
3 months	£395.5	-1.0	£398.75
Producers	$800	......	$800
Oils			
Coconut (Phil)	$1,015	......	$1,000
Groundnut	‡	......	‡
Linseed Crude	£432	......	£395
Palm Malayan	$562x	-7.0	$570
Seeds			
Copra Philip	‡	......	$675
Soyabean (U.S.)	$307	-6.2	$314.4
Grains			
Barley Futures	£86.6	-0.10	£96.7
Maize			
French No 3 Am	£111	+0.75	£110
Wheat			
No. 1 Red Spg.	‡	......	‡
No2 Hard Wint.	‡	......	£89.25
Eng. Milling	£101.5	......	£98
Other commodities			
Cocoa ship't	£1,672	+9.0	£1,743
Future July	£1,617.5	+18.5	£1,716.75
Coffee Ft'r July	£1,476.5	-9.0	£1,457
Cotton A'index	72.95c	-0.55	75.15c
Rubber kilo	60.5p	+0.5	57.5p
Sugar (Raw)	£99	......	£103
Wooltp's 64s kl	291p	......	286p

* Nominal. † New crop. ‡ Unquoted. p April-May. q May-June. r May. s June-July. t April-June. u June. x Per ton. z Indicator. § Buyer.

AMERICAN MARKETS

NEW YORK, April 3.

Cocoa—May 140.15 (141.65), July 142.55 (144.30), Sept. 145.15, Dec. 149.30, March 151.80, May 153.85, July 154.65. Sales: 445.

Coffee—"C" Contract: May 137.00-137.25 (134.38), July 139.25-139.50 (138.88), Sept. 143.00-143.25, Dec. 144.00, March 143.00, May 143.00, July nil. Sales: 768.

Copper—April 90.20 (91.35), May 90.90 (92.10), June 91.20, July 91.50, Sept. 91.50, Dec. 91.50, Jan. 91.60, March 91.60, May 91.60, July 91.55, Sept. 91.50, Dec. 91.40, Jan. 91.35.

Cotton—No. 2: May 58.32-58.40 (59.13), July 60.46-60.50 (61.35), Oct. 62.25-62.30, Dec. 62.72-62.75, March 64.15-64.20, May 65.10-65.25, July 66.10-66.40. Sales: 8,050.

*Gold—April 239.20 (239.80), May 240.00 (241.70), June 242.80, Aug. 246.90, Oct. 251.10, Dec. 255.30, Feb. 259.60, April 263.90, June 268.20, Aug. 272.50, Oct. 276.80, Dec. 281.20, Feb. 285.60.

This edition went to press before the latest U.S. market reports were received.

*Platinum — April 380.20-380.70 (386.50), May 380.90-381.10 (387.00), June 381.00-381.20, July 380.50-381.40, Oct. 382.00, Jan. 383.50, April 385.60-385.80, July 387.60-387.80, Oct. 389.80-389.00 asked.

Potatoes (round whites)—Nov. 62.7 (62.4), March 68.7 (68.4), April nil, May 827, 825. Sales: 31.

¶Silver—April 733.20 (746.00), May 739.00 (752.10), June 743.70, July 748.50, Sept. 758.00, Dec. 771.80, Jan. 776.20, March 785.50, May 794.90, July 804.30, Sept. 813.70, Dec. 828.00, Jan. 832.50. Handy and Harman spot 746.00 (753.50).

Sugar—No. 11: May 8.38 (8.34), July 8.66 (8.57), Sept. 8.88, Oct. 9.01, Jan. 9.28, March 9.67, May 9.90, July 10.07, Sept. unquoted.

Tin—699.00-705.00 nom. Spot 699.00-705.00 asked.

CHICAGO, April 3.

Lard—Chicago loose 29.75 (same). New York prime steam 31.25 nom. (31.75 traded).

Live Cattle—April 73.05-73.15 (73.02), June 71.05-71.20 (71.85), Aug. 69.10-69.30, Oct. 67.15-67.02, Dec. 67.60, Jan. 67.27 bid, Feb. 68.10 asked, April 68.55, June 69.20 asked, Aug. 69.60 asked. Sales: 33,760.

Live Hogs—April 45.40-45.15 (46.07), June 47.50-47.65 (48.42), July 47.50-47.75, Aug. 44.90-44.80, Oct. 42.20, Dec. 43.00-43.10 bid, Feb. 42.90 asked, April 40.85-40.75, June 43.25. Sales: 7,080.

‡‡Maize—May 249½-249¾ (252), July 253-253½ (256½), Sept. 256¼-256½, Dec. 262¼-263, March 271½-271¾, May 278-278½.

Plywood—May 198.5-198.8 (201.9), July 200.5-200.7 (203.9), Sept. 200.4, Nov. 199.5, Jan. 200.4, March 202.5, May 204.0 nom.

Pork Bellies—May 53.95 asked, (55.95), July 53.50 asked (55.50), Aug. 51.62 asked, Feb. 50.10 bid-50.30, March 49.90 asked, May 51.00, July 51.50, Aug. 50.00. Sales: 3,690.

Shell Eggs—April 52.50 (54.80), May 50.55 (52.35), June 53.30 asked, Sept. 60.00, Nov. nil, Dec. 62.50. Sales: 191.

Silver—April 732.0 (746.7), May 738.0 (751.9), June 743.0-742.0, Aug. 752.0-751.5, Oct. 761.0, Dec. 770.0-769.5, Feb. 779.0, April 789.0, June 798.5, Aug. 808.0, Oct. 817.5, Dec. 827.0, Feb. 836.5, April 846.0, June 856.0, Aug. 866.0, Oct. 876.0, Dec. 886.0 nom.

‡Soyabeans—May 749-748 (763), July 756½-757½ (771½), Aug. 760-749, Sept. 717, Nov. 697½-698½, Jan. 706-705, March 717, May 725.

‖Soyabean Meal—May 197.00-196.70 (200.40), July 200.20-200.50 (203.60), Aug. 200.30, Sept. 197.80, Oct. 193.00, 192.70, Dec. 192.30-192.50, Jan. 193.30-193.00, March 195.00.

Soyabean Oil—May 26.75-26.72 (27.33), July 26.86-26.85 (27.46), Aug. 26.75-26.70, Sept. 26.15, Oct. 25.45-25.40, Dec. 25.10-25.03, Jan. 25.90-25.95, March 24.95-24.90, May 24.85-24.90, July 24.75-24.85.

‡Wheat—May 333¾-333½ (334¼), July 319¾-319 (322), Sept. 322½, Dec. 333½, March 342½.

WINNIPEG, April 3. §Rye—May 104.10 asked (106.80 bid), July 102.70-101.03 (105.20 bid), Oct. 102.20 asked, Dec. 102.00 bid.

§Barley—May 82.20 bid (82.60-82.70 asked), July 82.30 asked (82.70), Oct. 85.00 asked, Dec. 84.60 asked.

§Oats—March 85.40 (68.80), May 82.00 bid (81.70 bid), July 79.90 bid (79.90 asked), Oct. 83.20 bid, Dec. 82.70 bid.

§Flaxseed—May 337.50 asked (341.00 asked), July 333.00-333.20 (334.50 bid), Oct. 321.00 asked, Nov. 314.50 asked, Dec. 310.00 asked.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 184.97.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

EUROPEAN MARKETS

● Commodity market coverage in these columns is being extended to include French sugar, cocoa, coffee, soyabean meal and wool market closing prices. More U.S. futures markets will also be covered, including silver, live cattle, hogs, eggs, pork bellies and plywood from Chicago and orange juice and potatoes from New York.

ROTTERDAM, April 4.

U.S. No. 2 Dark Hard Winter wheat, 13.5 per cent. April $151, May $151, June $149, July $147, Aug. $148. U.S. Hard Winter wheat ordinary unquoted. U.S. No. 2 Red Winter wheat June $146, July $142.50, Aug. $143.50. U.S. No. 2 Northern Spring wheat, 14 per cent, May $150, June $147.75, July $146, Aug. $146.

Maize—U.S. No. 3 Corn Yellow Afl. $127.50, March $127.50, April $126, May $125, June $124, July-Sept. $124, Oct.-Dec. $125.50, Jan.-March $131.50.

Soyameal—44 per cent protein U.S. March-April $238.50, traded Afl. $241, March-April $239.50, April-Sept. $240, Nov.-March $237.50, sellers Brazil. Pellets March $243 traded Afl. $244, March $244, April-May-June $244, April-Sept. $244, Nov.-March $248 sellers.

PARIS, April 4.

Cocoa (FFr per 100 kilos)—May 1425-1428, July 1420-1460, Sept. 1459-1460, Dec. 1486-1490, March 1500-1510, May 1510-1535. Sales at call 2. Accumulative total 56.

INDICES

FINANCIAL TIMES

Apr. 3	Apr. 2	M'nth ago	Year ago
269.43	270.80	270.45	234.96

(Base: July 1, 1952=100)

MOODY'S

Apr. 3	Apr. 2	M'nth ago	Year ago
1041.8	1047.7	1071.1	904.8

(December 31, 1931=100)

DOW JONES

Dow Jones	Apr. 3	Apr. 2	Month ago	Year ago
Spot	373.04	375.56	376.48	359.72
F'tur's	383.41	384.28	382.25	348.16

(Average 1924-25-26=100)

REUTERS

Apr. 4	Apr. 3	M'nth ago	Year ago
1551.0	1554.3	1556.0	1431.6

(Base: September 18, 1931=100)

CORAL INDEX: Close 523-528

INSURANCE BASE RATES

† Property Growth	12%
† Vanbrugh Guaranteed	10%

† Address shown under Insurance and Property Bond Table.

Gilts down on disappointment with absence of MLR cut—Equities fluctuate narrowly

Account Dealing Dates

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 26	Apr. 5	Apr. 6	Apr. 18
Apr. 9	Apr. 19	Apr. 20	May 1
Apr. 23	May 3	May 4	May 15

* "New time" dealings may take place from 9.30 am two business days earlier.

Registering disappointment at the absence of a reduction in Minimum Lending Rate in Mr. Healey's caretaker Budget proposals and fading hopes about a cut today, Government stocks sustained sizeable falls yesterday. Institutional investors again held back in this and in the equity sector, apparently content to bide their time until electioneering begins in earnest.

Overall selling of the funds was again relatively light and usually came from holders taking recently accrued profits rather than hold on for the unpredictable run-up to the May 3 election. Nevertheless, the liquidation brought fairly sharp falls which ranged to a point and more among longer-dated issues and to ½ in the shorts, although bear-covering was tending to reduce the falls late in the evening.

The tone in equities was marginally firmer at the outset, but it soon turned easier. Because of the lack of institutional interest, the bulk of the day's trade comprised further *small profit-taking* sales from public holders, most of which was transacted in leading shares. Situation stocks also commanded attention but few made noteworthy headway.

Tax-loss selling was at a minimum, even in P and O; speculation that the company had sold its London headquarters was held responsible for a sizeable inquiry which lifted the price to 85p before *a close of 84p*, up 3 on balance. Neither an official denial of the sale nor the possibility that the group's stake in the North Sea Beatrice Field may be worth less than originally envisaged had any lasting impact.

Illustrating the limited overall movement in leading industrials, the FT 30-share index was 0.7 up at 11 am and finally 1.5 down at 523.8, the day's lowest. Official markings, at 6,275, were less than Tuesday's 7,630 and well down on the week-ago total of 9,554.

A more routine and evenly balanced trade *in investment* currency caused only a minor variation in rates before the premium reverted to the over*night level of 55½ per cent.* Yesterday's SE conversion factor was 0.8064 (0.8029).

Activity in Traded options slackened slightly with 1,143 contracts recorded against Tuesday's 1,263. Almost half the total, however, comprised dealings in Cons. Gold Fields, in which trade on the interim statement attracted 532 contracts. Courtaulds were again lively and recorded 137 deals.

Sun Alliance firm

Interest in Insurances centred around the two major Composite companies reporting preliminary results; Sun Alliance improved to 586p in initial response to the better-than-expected profits before closing 9 up on balance at 580p, while Phoenix reacted from an early firm level of 290p to close 10 off at 278p *following* the disappointing annual figures. Elsewhere, Alexander Howden rose 4 to 119p on the annual report and Hambro Life firmed 10 to 505p after renewed demand in a thin market. Prudential edged forward 2 to 182p with sentiment helped by the disclosure that pension funds under the group's management had soared to £384m.

The major clearing banks surrendered early gains of around 5 to close unchanged at the overnight levels, but Bank of Scotland edged forward a *penny to 348p on further con*sideration of the results and property revaluation. Discounts tended harder with Allen Harvey and Ross up 10 at 390p and Union 5 to the good at 375p.

Strong rumours that Scottish and Newcastle, having successfully launched their own lager, are now prepared to sell their 32 per cent holding in the Harp consortium lifted the shares 2½ to 69½. Elsewhere among Breweries, Whitbread added 2 to 125p although business was light. Distilleries drifted easier, mainly due to the continued absence of buyers. Highland and Distillers both slipped 3 to 96p and 243p respectively.

Leading Buildings tended easier *on lack of buyers*. Awaiting today's annual results, Taylor Woodrow slipped 7 to 385p. Elsewhere, small interest in a thin market lifted G. M. Callender 3½ to 23½p. Phoenix Timber found late support and improved 8 to 153p and buyers were attracted to Sheffield Brick which firmed 4 to 60p. News of a property revaluation failed to stimulate interest in Heywood Williams which eased 3 to 83p.

Small scrappy selling clipped 3 from ICI at 393p and 4 from Fisons at 308p.

Peters disappoints

Stores displayed no set trend following a small trade. Down *20 the previous day on profit*-taking ahead of the interim results, due on April 18, Harris Queensway rallied 8 to 240p, while R. and J. Pullman improved 3 to 131p in further response to recent Press comment. Bambers rose 6 afresh to 256p and E. Upton "A" appre*ciated 4 to 46p. Peters Stores* fell 4 to 47p following the disappointing first-half profits, while profit-taking clipped 12 from James Walker ordinary at 128p, and 8 from the N/V at 114p. Among Shoes, Hiltons Footwear hardened 2 to 140p in response to the results and proposed 50 per cent scrip-issue. George Oliver "A" improved 3 to 88p.

Occasional profit-taking was again evident in the Electrical sector. Kode reacted 8 to 220p and Eurotherm 7 more to 313p. Other recent favourites to record losses of around 5 included Electrocomponents, 418p, United Scientific, 246p, and Farnell, 493p. Against the trend, *buying interest was shown in* Pifco issues, the Ordinary rising 3 to 99p and the "A" a similar amount to 98p. AB Electronic continued to benefit from the recent good interim results and rose another 4 to 216p. Among the leaders, GEC drifted off to finish 4 cheaper at 402p, but Plessey fluctuated narrowly before ending 2 dearer at 110p.

The Engineering leaders held up well until the latter part of the day when scattered offerings found the market unwilling. Awaiting today's preliminary results, GKN gave up 7 to 254p, while John Brown closed 4 cheaper at 531p after having touched 536p. Elsewhere, the majority of movements were *limited to a few pence* either way. Yarrow gave up 5 more to 370p and falls of 3 were marked against Benjamin Priest, 82p, and Mining Supplies, 75p. On the other hand, fresh support lifted Eva Industries 4 more to 100p.

Leading Foods drifted easier, but steadied in late dealings. Rowntree Mackintosh rallied from 403p to close a net 2 higher at 411p, but A.B. Foods ended 2 cheaper at 71p.

In Hotels, Ladbroke added 10 to 226p in anticipation of today's annual results, but the lower profits left Savoy A 4 cheaper at 94p. Norfolk Capital were quoted ex-rights and, in a brisk trade, improved steadily from an opening of 48p to touch 57p before settling a net 7 up at 55p; the new nil paid shares, also a lively market, opened at 17p premium, touched 26p premium, and closed at 25p premium.

Quietly dull conditions prevailed in the miscellaneous *industrial leaders on lack of* support. Bewater improved to 196p in early dealings but encountered fresh nervous offerings in front of today's preliminary statement and closed unaltered at 192p. Glaxo, interim results due next Monday, relinquished 13 to 570p and Beecham lost 8 to 702p. Elsewhere, Briden stood out with a jump of 13 to a 1979 peak of 139p following the better-than-*expected annual profits*. Press comment on the results enabled Cape Industries to firm 8 to 169p, after 172p, while Clement Clarke attracted more support at 113p, up 7. Flexello Castors and Wheels added 5 to 78p as did J. F. Nash, to 80p, while Abbey improved 4 to 39p. English China Clays softened 3 to 92p on talk of a broker's adverse circular and Brown Boveri Kent cheapened 2 to 66p in front of today's pre*liminary results*.

Following news that Decca had reduced its stake in the company, Management Agency and Music attracted renewed speculative demand and advanced 5 to 158p. Coral found support at 128p, up 4, the annual results are due next Thursday.

Threats of a prolonged stoppage at BL following a strike call to skilled workers failed to upset major component suppliers: Lucas held steady at the overnight level of 282p, while Associated Engineering firmed a fraction to 100p. Suspension *manufacturers Jonas Woodhead*, however, eased 2 to 95p.

Among Newspapers, News International rose 6 to 338p, but *BPM fell 3 to 88p*. International Thomson issues came under a little pressure, the Ordinary easing 10 at 430p with the Convertible giving up 15 to 350p. Elsewhere Melody Mills, a good market on Monday, eased 4 to 138p on profit-taking, while reflection of the reduced annual profits clipped 4 from Harrison and Sons, 66p.

Leading Properties traded quietly around overnight levels and closed virtually unchanged on balance, but secondary issues tended easier on scattered offerings with Marler Estates and *Estates and General* both 1½ easier at the common price of 36p. Control Securities eased 2 to 40p. The interim statement left Peachey unmoved at 118p.

Oils trade quietly

Oils passed a rather quiet trading session. British Petroleum moved within fairly narrow limits before ending 8 firmer at 1190p, while Shell *closed a few pence harder at* 762p, after 766p. Secondary issues tended easier generally but favourable Press mention stimulated a lively business in Premier which closed at the day's best with a gain of 4 at 28½p.

In Overseas Traders, William Jacks added 1½ to 43p on the annual results.

Among Shippings, Common Bros. closed 8 down at 212p, after 205p, following news of the *obligatory bid at 200p cash per* share, from British and Commonwealth, unaltered at 330p. Hunting Gibson encountered fresh speculative support and put on 5 more to 172p, while Southampton and I. of W. Steam rose 10 to 225p in response to the results.

Among Financials, R. P. Martin continued to reflect the reduced interim dividend and profits and reacted 6 for a two-day loss of 19 to 44p.

Plantations traded quietly and ended barely changed from previous closing levels but, in Teas, Blantyre dropped 10 to 140p following the halved dividend and sharply reduced profits.

Gold Fields react

Most of the interest in mining markets was directed towards Consolidated Gold Fields, which after moving up to 224p prior to the half-yearly results, slipped back to close 3 cheaper on balance at 216p. Other London-domiciled Financials traded quietly with Rio Tinto-Zinc 3 *firmer* at 303p.

Overseas issues failed to arouse much interest with sentiment continuing to be affected by the recent fluctuations in the investment currency premium.

South African Golds eased for the third successive day despite the steadiness of the bullion price in front of the International Monetary Fund gold auction.

The Gold Mines index gave up 1.1 more to 148.0 for a three-day loss of 6.9 while the ex-premium index fell 0.4 to 119.3.

South African Financials were quietly mixed. Coals attracted *good Johannesburg support* which left Transvaal Consolidated Land £1¼ firmer at £18¼ and "Amcoal" 25 better at 825p.

Small scattered selling affected Coppers and Platinums. Among the former Roan Consolidated Mines eased 3 to 113p while in the latter Impala dropped 6 to a 1979 low of 174p.

Renewed weakness in overnight domestic markets and lack of interest prompted widespread minor losses in Australians. Among base-metal producers falls of around 6 were common to Bougainville, 129p, Conzinc *Riotinto*, 238p, and *Western Mining*, 152p, and MIM Holdings, 211p.

FINANCIAL TIMES STOCK INDICES

	April 4	April 3	April 2	March 30	March 29	March 28	A year ago
Government Secs.	74.54	75.21	75.68	75.28	75.34	74.30	74.06
Fixed Interest	76.19	76.25	76.30	76.00	75.86	75.22	77.31
Industrial	523.8	525.3	532.2	530.8	540.6	538.3	470.2
Gold Mines	148.0	149.1	152.4	154.9	152.3	156.9	151.6
Gold Mines (Ex-$ pm)	119.3	119.7	120.7	121.1	124.0	125.6	104.6
Ord. Div. Yield	5.42	5.39	5.34	5.35	5.27	5.30	5.76
Earnings, Yld. % (full)	14.38	14.31	14.15	14.21	14.01	14.09	15.50
P/E Ratio (net) (*)	8.86	8.91	9.00	8.97	9.09	9.04	8.50
Dealings marked	6,275	7,630	5,883	8,617	8,157	9,554	4,844
Equity turnover £m.	—	121.23	104.05	166.29	300.38	163.67	66.15
Equity bargains total	—	34,091	27,970	39,701	42,306	32,808	16,884

10 am 525.0. 11 am 526.0. Noon 526.0. 1 pm 525.4.
2 pm 525.0. 3 pm 523.8.
Latest Index 01-246 8026.
*Nil =8.53.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex $ premium index started June, 1972. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1979 High	1979 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.68 (2/4)	64.64 (8/2)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	76.30 (2/4)	66.03 (15/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	540.6 (29/3)	446.1 (12/2)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	185.5 (5/2)	136.2 (19/1)	442.3 (22/5/75)	43.5 (26/10/71)
Gold Mines (Ex-$ pm)	125.5 (29/3)	95.2 (12/1)	337.1 (3/4/74)	54.3 (26/6/76)

S.E. ACTIVITY

	April 4	April 3
—Daily		
Gilt Edged	102.7	104.9
Industrials	226.5	283.2
Speculative	39.2	41.4
Totals	142.8	173.7
5-d'y Av'r'ge		
Gilt Edged	106.2	114.9
Industrials	275.9	302.6
Speculative	40.0	40.6
Totals	166.5	181.5

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979 high	1979 low
Shell Transport	25p	14	762	+ 2	774	556
BP	£1	11	1190	+ 8	1198	720
GEC	25p	11	402	— 4	420	311
ICI	£1	11	393	— 3	406	346
Marks & Spencer	25p	11	111	—	117	83
Assoc. Dairies	25p	8	257	— 3	288	189
BAT Inds.	25p	8	313	— 3	362	280
Barclays Bank	£1	8	465	—	470	360
Cons. Gold Fields	25p	8	216	— 3	230	178
Distillers	50p	8	243	— 3	252	198
Midland Bank	£1	8	415	—	428	348
NatWest Bank	£1	8	352	—	368	278
Nrflk. Cap. 'New'	Nil/pd.	8	25pm	—	35pm	17pm
P & O Defd.	£1	8	84	+ 3½	91	71
Royal Insurance	25p	7	410	—	425	325

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 3	Apr. 17	Jun. 28	Jul. 10
Apr. 18	Apr 30	Jul. 12	Jul. 24
May 1	May 14	Jul. 26	Aug. 7

For rate indications see end of Share Information Service.

Active trading returned to the option market and calls were dealt in British Land, EMI, Charterhall, Tricentrol, May and Hassell, Blue Circle, Town and City, Status Discount, Crosby Spring, Lucas, Barker and Dobson, Burton A, Sidlaw, Burmah, Lonrho, Elliott Group of Peterborough, New Throgmorton Warrants, Morris and Blakey A, Talbex, Coral Leisure, Savoy A, Carpets International, P & O, Poseidon, Montagu L. Meyer, F. Cooper, M & G Dual Capital, Bowater, Mount Charlotte A, Carr's Milling, Edgar Allen Balfour, C. H. Industrial, Sears A and Hensher A. Ladbroke was dealt in for the put, while doubles were arranged in Premier Oil, and Morris and Blakey A.

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	—	75	7
Corpns. Dom. and Foreign Bonds	4	20	40
Industrials	238	476	807
Financial and Prop.	89	182	288
Oils	10	10	18
Plantation	4	8	20
Mines	13	67	60
Recent Issues	3	4	25
Totals	359	810	1246

NEW HIGHS AND LOWS FOR 1979

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979.

NEW HIGHS (63)

COMMONWLTH. & AFRICAN LOANS (1)
N.Z. 7½pc '83-86

LOANS (3)
Alcan 10½pc '89-94; ICFC 11pcUns.Ln. '88; ICFC 8½pc Db. '81-84

AMERICANS (1)
Tenneco 10pc Ln. Stk. '91-95

CANADIANS (1)
Place Gas

BEERS (5)
Bass; Whitbread A; Scot. & Newcastle; Wolv. & Dudley; Tomatin

BUILDINGS (6)
Callender (G. M.); Phoenix Timber; Finlan (J.); Sheffield Brick; I.D.C.; Vectis Stone

STORES (7)
Bambers; Michael (J.); Currys; Pullman (R. & J.); GUS A; Smith (W. H.) A; Menzies (J.)

ENGINEERING (9)
Birmingham Pallet; Procor 11¼pc '93-98; Castings; Taylor Pallister; Cummins '78-94; Wellman; Eva Industries; West Brom. Spring; Garton

FOODS (1)
Edwards (L. C.)

HOTELS (2)
Ladbroke; Norfolk Cap.

INDUSTRIALS (15)
Booker McConnell; Dwek; Briden; Flexello (C. & W.); British Vita; Grampian; Bruntons (Muss.); Le Bas (Ed.); Cape Inds.; Myson; Caplan Profile; Ryan (L.); Clarke (Clement); Sandhurst Marketing; Dentsply 9pc Cv. '91-95

INSURANCE (1)
Hambro Life

LEISURE (2)
HTV; Samuelson

MOTORS (1)
Kenning Mtr.

SHIPPING (1)
Hunting Gibson

SHOES (3)
Hiltons; Oliver (G.); Newbold & Burton

TRUSTS (2)
Debenture Corp.; Moorgate Inv.

OILS (1)
Premier Cons.

OVERSEAS TRADERS (1)
Jacks (Wm.)

NEW LOWS (56)

AMERICANS (16)
ASA; Crown Zellerbach; American Express; Esmark; CBS; Firestone Tire; C.P.C.; Ford Motor; Caterpillar; Gillette; Chase Manhattan; I.U. Int.; Colgate-Palmolive; Norton Simon; Cont. Illinois; Singer

CANADIANS (2)
Hollinger; Rio Algom

BANKS (1)
Nat. Bk. Aust.

BUILDING (2)
Benlox; Jennings

CHEMICALS (1)
Hoechst

ELECTRICALS (1)
Philips' Lamps

ENGINEERING (6)
Hunt & Moscrop; Mining Supplies; Locker (T.); Neill (J.); Locker (T.) A; Smith (Whit.)

INDUSTRIALS (4)
Continental Group; Maddock; Hutch. Whamp.; Unilever N.V.

INSURANCE (1)
Taisho Marine

LEISURE (2)
Black & Edgington; Howard & Wyndham

MOTORS (1)
Dana Corp.

TEXTILES (6)
Caird (Dundee); Snia Viscosa; Mackinnon (Scotland); Snia Viscosa Priv.; Shaw Carpets; Toray

TRUSTS (8)
City & Foreign Inv.; Jardine Japan; Drayton Far Eastern; Scottish European; F. & C. Eurotrust; Sizewell; Govett European; Martin (R. P.)

OILS (1)
Royal Dutch

TEAS (1)
Blantyre

MINES (3)
Impala Platinum; Whim Creek; Oakbridge

LONDON TRADED OPTIONS

Option	Ex'rc'se price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	950	244	—	296	1	308	—	1187p
BP	1150	47	3	128	1	152	4	"
BP	1200	23	2	96	2	124	—	"
Com. Union	160	9	—	19	10	24	—	167p
Com. Union	180	2	—	10	8	14	—	"
Cons. Gold	180	37	10	41	9	52	—	216p
Cons. Gold	200	17	35	27	50	36	—	"
Cons. Gold	220	5½	247	17	80	26	25	"
Cons. Gold	240	1	[illegible]	9	42	15	—	"
Courtaulds	100	4½	5	9	—	12	—	103p
Courtaulds	110	1	10	6	56	9	17	"
Courtaulds	120	½	25	3	20	5½	—	"
Courtaulds	130	¼	—	2	4	—	—	"
GEC	360	46	—	78	—	[illegible]	[illegible]	403p
GEC	390	18	69	50	3	66	—	"
GEC	420	5½	32	30	11	52	2	"
Grand Met.	140	20	1	28½	—	32	—	159p
Grand Met.	160	6	7	15½	1	20½	—	"
ICI	390	11	9	33	—	45	—	393p
Land Secs	300	6	—	21	[illegible]	34	2	295p
Marks & Sp	90	22	6	30	—	33	—	110p
Marks & Sp	100	12	11	21	—	24	—	"
Marks & Sp	110	4½	8	15	10	19	—	"
Shell	600	164	2	200	1	222	—	761p
Shell	700	64	4	107	—	130	—	"
Shell	750	22	6	68	3	87	—	"
Shell	800	6	429	39	7	60	10	"
Totals			833		326		62	
		May		August		November		
BOC Intl.	70	5½	[illegible]	8	—	12¼	12	70p
BOC Intl.	80	2	—	4½	—	5½	1	"
Boots	180	52	1	—	—	—	—	226p
Boots	200	32	20	50	—	45	—	"
Boots	220	16½	10	23	—	30	—	"
Boots	240	6½	17	14	—	19	—	"
EMI	110	17	6	25	—	30	—	121p
EMI	120	11	3	19	—	24	—	"
EMI	130	6	29	14	—	21	—	"
EMI	140	4	5	8½	—	16	—	"
ImperialGp	100	8	—	12	23	15	17	104p
ImperialGp	110	3½	30	7½	—	9½	36	"
RTZ	280	32	3	50	—	67	—	301p
Totals			127		23		66	

RECENT ISSUES

EQUITIES

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p	+ or —	Div. or Amount	Times Covered	Gross Yield	P.E. Ratio
‡95	F.P.	—	194	150	††Appl. Computer	180	......	0.7	11.0	0.6	22.2
65	F.P.	23/2	174	68	Caledonian Hldgs.	170	—1	67.5	1.6	6.4	14.6
††	F.P.	16/2	170	118	Hunting Assoc. Defd.	165	......	—	—	—	—
††	F.P.	9/2	42	31	M.Y. Dart Defd	39	......	—	—	—	—
95	F.P.	20/4	122	97	Sedgwick F. New 10p	117	......	15.0	2.1	6.4	10.9

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price £	+ or —
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Chepstow Race's 8% Cnv. Uns. Ln. 1988	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Cleveland (County of) Var. Rate 1984	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Eng. Assoc. Sterling Fd. Part. Red. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Grant (James) 10% Pref.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ICFC 12½% Uns Ln 1992	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Low Valley Water 8% Red. Prf. 1985	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lyles (S.) 11% Cum. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	MEPC 9½% Conv. Uns. Ln. 1995-2000	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid-Southern Water 8% Red. Pref 1984	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Tricoville 10½% Pref.	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p	+ or —
115	F.P.	[illegible]	160	147	Brammer (H.)	160	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Boroo Dean	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Clement-Roadstone	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Hirst & Mallinson	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Johnson Matthey	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Macpherson (D.)	[illegible]	[illegible]
[illegible]	Nil	[illegible]	25pm	17pm	Norfolk Cap. Hotels	25pm	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Park Place Invs.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Rank Org.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Redman Heenan	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sekers Intl.	[illegible]	[illegible]
32	Nil	[illegible]	34pm	32pm	Williams (W.)	32pm	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. || Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶ Issued in connection with reorganisation, merger or take-over. ||| Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed., April 4, 1979 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net)	Tues., April 3 Index No.	Mon., April 2 Index No.	Fri., Mar. 30 Index No.	Thurs., Mar. 29 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	266.17	−0.6	15.37	5.09	8.82	267.65	270.35	270.05	275.29	203.69
2	Building Materials (27)	249.46	−0.3	15.50	5.37	8.81	250.14	252.78	250.05	256.21	183.56
3	Contracting, Construction (28)	405.13	−0.7	19.32	5.05	7.21	407.84	412.60	414.05	424.00	324.77
4	Electricals (14)	644.97	−0.6	12.10	2.96	11.31	649.02	656.90	654.84	668.52	436.45
5	Engineering Contractors (12)	392.70	−0.5	17.23	5.78	7.86	394.81	397.86	399.01	410.62	289.72
6	Mechanical Engineering (75)	200.61	−0.3	16.73	5.67	7.96	201.20	203.00	203.93	206.97	161.60
8	Metals and Metal Forming (16)	171.53	−1.4	16.28	8.55	8.23	173.94	175.12	175.21	176.90	163.80
	CONSUMER GOODS										
11	(DURABLE) (53)	240.25	−0.6	14.76	4.51	9.08	241.80	243.50	242.93	247.70	187.92
12	Lt. Electronics, Radio, TV (16)	324.95	−0.9	11.67	3.26	12.13	327.83	330.98	329.86	337.23	222.56
13	Household Goods (12)	169.72	−0.3	17.48	6.46	7.90	170.18	171.26	172.85	174.60	168.78
14	Motors and Distributors (25)	124.93	−0.2	20.81	6.76	6.03	125.19	125.40	125.86	127.04	117.84
	CONSUMER GOODS										
21	(NON-DURABLE) (170)	249.86	−0.3	14.22	5.25	9.19	249.91	251.89	252.05	257.24	197.78
22	Breweries (14)	279.94	+0.9	13.61	5.37	9.32	277.36	277.68	273.94	278.06	225.14
23	Wines and Spirits (6)	338.78	−1.2	13.81	4.41	10.57	342.85	347.48	346.41	352.29	254.20
24	Entertainment, Catering (17)	341.16	+0.3	13.09	5.61	10.11	340.00	343.31	340.33	347.09	249.97
25	Food Manufacturing (19)	223.53	−1.1	17.08	5.00	7.65	226.12	228.08	228.90	233.37	188.87
26	Food Retailing (15)	287.38	−0.8	11.21	4.10	12.12	289.76	294.29	296.33	305.75	193.61
32	Newspapers, Publishing (12)	455.93	+0.1	19.57	5.62	7.28	455.29	456.57	459.42	466.19	342.69
33	Packaging and Paper (15)	145.99	−0.2	17.34	7.20	7.53	146.26	148.07	150.08	153.02	129.32
34	Stores (40)	247.04	—	10.23	3.91	13.75	247.16	248.10	248.86	254.01	185.85
35	Textiles (23)	181.61	−0.9	17.97	8.38	7.20	183.19	185.65	186.68	189.69	173.10
36	Tobaccos (3)	269.25	−1.1	21.16	7.64	5.43	272.21	275.37	275.27	282.39	235.41
37	Toys and Games (6)	93.72	+0.1	23.67	6.93	4.98	93.65	94.72	95.25	96.89	101.09
41	OTHER GROUPS (99)	222.15	−0.5	14.45	5.74	8.59	223.17	225.39	225.24	229.65	187.10
42	Chemicals (18)	309.16	−0.6	16.28	6.35	7.18	310.97	313.29	313.65	318.46	260.88
43	Pharmaceutical Products (7)	272.76	−1.2	10.03	4.31	12.16	276.11	280.50	279.68	283.91	246.03
44	Office Equipment (6)	148.36	+0.6	13.62	5.48	9.25	147.50	149.56	148.93	153.70	130.07
45	Shipping (10)	437.18	+0.7	13.84	6.96	9.17	434.10	442.29	440.10	448.48	422.99
46	Miscellaneous (58)	249.25	−0.3	15.62	5.86	8.45	250.02	251.63	251.76	257.69	194.00
49	INDUSTRIAL GROUP (494)	253.89	−0.4	14.60	5.27	8.94	255.02	257.29	257.20	262.34	202.53
51	Oils (6)	672.04	+0.4	11.74	3.24	9.06	669.04	669.93	664.92	676.21	442.94
59	500 SHARE INDEX	287.89	−0.3	14.11	4.92	8.96	288.73	290.92	290.47	296.12	222.77
61	FINANCIAL GROUP (115)	203.00	+0.1	—	5.02	—	202.78	204.55	203.99	209.21	163.79
62	Banks (6)	243.32	—	27.47	4.97	4.73	243.29	245.74	245.02	250.09	202.26
63	Discount Houses (10)	258.78	+1.0	—	7.14	—	256.12	257.30	258.28	263.38	190.37
64	Hire Purchase (5)	183.03	−0.9	17.52	4.82	7.33	184.75	185.27	184.68	190.65	146.56
65	Insurance (Life) (10)	164.99	+0.5	—	6.21	—	164.18	164.97	163.51	168.79	137.87
66	Insurance (Composite) (7)	142.15	+0.3	—	6.52	—	141.74	143.20	142.70	147.29	120.07
67	Insurance Brokers (10)	345.35	+0.2	14.78	5.49	9.67	344.67	345.59	344.82	352.82	337.30
68	Merchant Banks (14)	93.49	+0.1	—	5.59	—	93.41	93.96	94.11	98.47	76.01
69	Property (43)	341.29	—	3.27	2.40	48.43	341.19	344.61	344.07	350.67	226.95
70	Miscellaneous (10)	123.56	−0.7	18.29	6.49	6.81	124.45	125.64	126.09	129.48	104.32
71	Investment Trusts (111)	229.42	—	—	4.78	—	229.34	229.75	231.83	235.09	189.37
81	Mining Finance (4)	129.83	+0.2	14.48	5.48	8.51	129.55	130.71	129.30	134.43	91.77
91	Overseas Traders (20)	371.03	−0.3	13.47	6.80	9.43	372.19	375.11	376.96	380.98	282.58
99	ALL-SHARE INDEX (750)	264.11	−0.2	—	4.98	—	264.62	266.60	266.28	271.71	206.15

FIXED INTEREST PRICE INDICES

	British Government	Wed., April 4	Day's change %	xd adj. today	xd adj. 1979 to date
1	Under 5 years	107.75	−0.18	—	2.22
2	5-15 years	122.39	−1.18	—	3.56
3	Over 15 years	127.51	−1.10	—	3.67
4	Irredeemables	139.68	−0.68	—	1.78
5	All stocks	118.27	−0.73	—	2.41

	FIXED INTEREST YIELDS Br. Govt. Av. Gross Red.		Wed., April 4	Tues., April 3	Year ago (approx.)
1	Low Coupons	5 years	9.12	9.00	7.96
2		15 years	10.17	9.99	10.28
3		25 years	10.91	10.71	10.72
4	Medium Coupons	5 years	10.82	10.70	10.02
5		15 years	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]

		Wed., April 4 Index No.	Wed., April 4 Yield %	Tues. April 3	Mon. April 2	Fri. Mar. 30	Thurs. Mar. 29	Wed. Mar. 28	Tues. Mar. 27	Mon. Mar. 26	Year ago (approx.)
15	20-yr. Red. Deb & Loans (15)	53.86	12.53	54.14	55.93	55.94	56.48	57.51	56.94	56.68	60.25
16	Investment Trust Prefs. (15)	51.46	13.61	51.64	51.64	51.64	51.64	51.12	51.65	51.00	56.11
17	Coml. and Indl. Prefs. (20)	72.73	12.85	72.73	72.49	72.14	72.00	71.87	71.40	71.57	73.79

† Redemption yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p.

Redemption Notice

City of Oslo (Norway)

9% Sinking Fund External Loan Bonds due May 1, 1985

NOTICE IS HEREBY GIVEN, pursuant to Fiscal Agency Agreement dated as of May 1, 1970 under which the above described Bonds were issued, that Citibank, N.A., Fiscal Agent, has selected by lot for redemption on May 1, 1979 through the operation of the Sinking Fund, $944,000 principal amount of said Bonds at the Sinking Fund redemption price of 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption. The serial numbers of the Bonds selected by lot for redemption are as follows:

BOND NUMBERS

[illegible]

On May 1, 1979 there will become due and payable upon each Bond selected for redemption the said redemption price, together with interest accrued to the date fixed for redemption. Payment of the redemption price of the Bonds to be redeemed will be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts therein, upon presentation and surrender of said Bonds, with all coupons appertaining thereto maturing after the date fixed for redemption, at the Corporate Trust Office of Citibank, N.A., Municipal Bond Processing Window, 20 Exchange Place, 17th Floor, New York, N.Y. 10043 and subject to applicable laws and regulations, at the main offices of Citibank, N.A. in Amsterdam, Brussels, Frankfurt (Main), London, Milan and Paris. Payment at the offices of Citibank, N.A. in Europe referred to above will be made by check drawn upon a bank in New York City or by a transfer to a dollar account maintained by the payee with a bank in New York City.

On and after the date fixed for redemption interest on said Bonds will cease to accrue. Coupons due May 1, 1979 should be detached from the Bonds and presented for payment in the usual manner.

For the CITY OF OSLO (NORWAY)
CITIBANK, N.A.
as Fiscal Agent

March 29, 1979

LEADERS AND LAGGARDS

The following table shows the percentage changes which have taken place since December 29, 1978, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines index.

Oils	+32.41	Insurance Brokers	+15.78
Stores	+31.03	Insurance (Composite)	+15.16
Mining Finance	+27.94	Office Equipment	+14.16
Property	+27.86	Contracting and Construction	+13.76
Food Retailing	+27.66	Pharmaceutical Products	+13.26
Overseas Traders	+27.17	Food Manufacturing	+13.26
Entertainment and Catering	+27.08	Investment Trusts	+12.96
Electronics, Radio and TV	+25.17	Chemicals	+12.31
Banks	+24.44	Hire Purchase	+12.01
Newspapers and Publishing	+23.76	Engineering Contractors	+11.62
Insurance (Life)	+23.26	Packaging and Paper	+11.36
Building Materials	+22.68	Mechanical Engineering	+10.30
Wines and Spirits	+21.57	Metal and Metal Forming	+8.16
Consumer Goods (Non-durable) Group	+21.30	Shipping	+8.17
Electricals	+20.92	Gold Mines F.T.	+5.60
Financial Group	+20.81	Motors and Distributors	+4.79
Merchant Banks	+20.68	Textiles	+2.28
Discount Houses	+20.68	Toys and Games	−1.49
500 Share Index	+19.78	Household Goods	−5.36
All-Share Index	+19.14		
Breweries	+18.25		
Industrial Group	+17.95		
Consumer Goods (Durable) Group	+16.73		
Capital Goods Group	+16.01		

† Percentage changes based on Tuesday, April 3, 1979, indices.

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Gilt Int. Tst.	108.4	114.1	-1.0	3.09
Abbey Capital	39.5	42.0	-0.2	4.07
Abbey Income	46.2	49.1	-0.2	6.74
Abbey Inv. Tst. Fd.	39.5	42.0	.....	4.58
Abbey Gen. Tst.	53.8	57.2	-0.2	4.08
Equitas Prog. Tst.	73.0	77.0	-0.2	4.38

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt & Pref.	95.0	100.0	.....	12.50

Allied Hambro Group (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	77.7	83.1		5.01
Brit. Inds. Fund	76.2	81.5	-0.4	4.91
Grth. & Inc.	43.1	46.1	-0.1	4.77
Elect. & Ind. Dev.	41.3	44.2	-0.2	4.21
Allied Capital	80.8	86.5xd	-0.2	4.18
Hambro Fund	126.1	134.9		4.80
Hambro Acc. Fd.	144.8	154.9	-0.4	4.23
Income Funds				
High Yield Fd.	80.3	85.9xd	-0.2	7.57
High Income	73.9	79.1xd	-0.2	6.73
A. H. Eq. Inc.	44.0	47.1	-0.1	6.52
International Funds				
International	25.9	27.7	.....	2.90
Pacific Fund	38.9	41.6	-0.5	2.14
Secs. Of America	55.2	59.1	+0.5	1.95
Specialist Funds				
Smaller Co.'s Fd.	47.0	50.3	-0.2	3.78
2nd Smlr. Co's Fd.	57.6	61.6xd	-0.3	4.06
Recovery Sits.	112.3	120.2	-0.8	4.58
Met. Min. & C'dty.	48.1	51.5	-0.2	4.45
Overseas Earnings	66.7	71.4	-0.3	4.06
Exempt Funds				
Far East Exempt	44.9	46.7	-0.1	2.14
Smaller Co. Exempt	73.0	76.6xd	-0.3	4.24
U.S.A. Exempt	97.0	100.9xd	+0.6	2.18

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking 0306 5055

Friends Prov. Uts.	50.9	54.4	-0.2	3.99
Do. Accum.	67.1	71.7	-0.3	3.99

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital March 29	114.7	117.0	.....	4.27
Gross Income Mar. 29	84.8	87.5	.....	8.23
High Yield March 29	96.4	98.9xd	.....	8.00

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16 Finsbury Circus, EC2M 7DD 01-628 8131

G.T. Cap. Inc.	106.6	113.3	.....	2.70
Do. Acc.	130.7	139.0	.....	2.70
G.T. Inc. Fd. Un.	180.3	191.8	.....	8.30
G.T. U.S. & Gen.	126.6	134.6	.....	3.10
G.T. Japan & Gen.	83.5	89.1xd	.....	2.10
♦Gt. Pens. Ex. Fd.	207.1	227.4	.....	2.80
G.T. Int'l. Fund	151.3	160.9	.....	1.70
G.T. Four Yds. Fd.	61.7	65.6	.....	7.80
G.T. Far East & Gen.	44.8	48.1	.....	2.10

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. (0277) 227300

G. & A.	38.9	41.5	-0.3	4.43

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP. 01-283 3531
Dealing only: 01-623 5766/5806

American Tst.	28.5	26.3	+0.1	0.51
British Tst. (Acc.)	65.7	70.8	-0.4	3.47
Commodity Share	176.5	189.8	-0.8	3.51
Extra Income Tst.	27.4	29.5	-0.2	7.68
Far East Trust	33.5	36.0xd	-0.4	0.24
High Income Tst.	66.4	71.8	-0.2	8.44
Income Fund	85.2	91.6	-0.3	6.25
Ins. Agencies	£15.50	16.44	-0.03	3.80
Intl. Exempt Fd.	98.6	107.1xd	-0.9	6.23
Intl. Tst. (Acc.)	31.4	33.8	-0.2	0.80

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
"Shorts" (Lives up to Five Years)						
97¼	94⅝	Treasury 3pc '79‡‡	97⅛	−⅛	3.09	9.60
97⅝	95⅜	Electric 4¼pc '74-79	97½	−⅛	4.36	6.96
100⅛	54⅝	Treasury 10½pc '79‡‡	100¹⁄₁₆xd	......	10.49	10.39
96⅜	94½	Electric 3½pc '76-79	96⅜	......	3.63	9.67
99⅝	95⅞	Treasury 9pc 1980‡‡	99⅛	−⅛	9.08	9.96
99⅝	95¹³⁄₁₆	Treasury 9½pc '80‡‡	99⅛	−⅛	9.58	10.36
95¼	92⅜	Treasury 3½pc '77-80	95	−¼	3.68	7.95
95½	92⅞	Funding 5¼pc '78-80‡‡	95½	......	5.50	9.29
103½	99¾	Exchequer 13pc 1980‡‡	103	−¼	12.62	10.91
102⅛	96¹¹⁄₁₆	Treasury 11½pc 1981‡‡	101¹⁄₁₆	−¼	11.38	10.78
92½	88⅞	Treasury 3½pc 1979-81	92¼	−¼	3.79	8.04
99¼	13⅝	Treasury 9¾pc 1981‡‡	98⅞	−⅛	9.86	10.37
96¼	89½	Exch. 8¼pc 1981	95⅞	−⅛	8.60	10.59
98¼	91¼	Exch. 9½pc 1981	97½	−⅛	9.71	10.58
91	84¼	Exch. 3pc 1981	90¼	−¼	3.31	7.30
98¹⁄₁₆	96	Treas. Variable '81§§	96¼	......	12.40	13.65
104½	97⅞	Exch. 12¾pc 1981‡‡	103⅞	−⅛	12.27	10.97
96⅞	88	Treas. 8½pc '80-82‡‡	96¼	−¼	8.83	10.05
88¾	82	Treasury 3pc '82‡‡	88½	−¼	3.39	7.53
108⅜	100⅜	Treasury 14pc '82‡‡	107⅞	−⅛	12.99	10.81
96¹¹⁄₁₆	94⅜	Treas. Variable '82§§	94¾	......	12.60	13.99
94⅞	85⅝	Treasury 8¼pc '82	94⅜	−⅛	8.74	10.32
96½	86½	Exch. 9¼pc 1982	96	−⅛	9.64	10.64
95⅛	84⅝	Exch. 8¾pc 1983	94⅞	......	9.22	10.41
100¾	78¼	Exch 3pc '83	84¾	−¼	3.54	7.60
104¼	93⅛	Treasury 12pc 1983‡‡	103⅜	−½	11.61	10.91
103⅞	93⅛	Treas. 12pc '83 A‡‡	103	−½	11.65	11.01
94⅞	93½	Treas. Variable '83§§	93½	......	12.77	14.05
96¼	84½	Treasury 9¼pc '83	95½	−⅛	9.69	10.57
97½	85½	Exch. 10pc 1983	96⅝	−½	10.35	10.92
89½	78¾	Funding 5½pc '82-84‡‡	89	−¼	6.18	8.53
Five to Fifteen Years						
109⅞	93¼	Exch. 12¼pc 1985	108½	−1	11.77	11.34
93⅝	80	Treasury 8½pc '84-86‡‡	92¼	−1	9.42	10.44
64⅛	17⅜	Exch. 13¼pc 1987 £50pd	63	−1	12.21	11.54
83⅝	72½	Funding 6½pc '85-87‡‡	82½xd	−1	7.87	9.65
87¼	73½	Treasury 7¾pc '85-88‡‡	86¼	−1	9.14	10.42
70⅜	58⅝	Transport 3pc '78-88	69	−¾	4.40	7.91
71⅞	61⅛	Treasury 5pc '86-89	70¾xd	−¾	7.09	9.49
112⅝	93¾	Treasury 13pc 1990‡‡	110⅞	−1⅛	12.03	11.66
88⅝	72¾	Treasury 8¼ 87 90‡‡	86⅝	−1	9.81	10.71
104⅞	86¼	Treasury 11¾pc 1991	103	−1¼	11.72	11.69
70¾	60⅜	Funding 5¾pc '87-91‡‡	69⅜xd	−¾	8.29	10.24
110⅛	91	Treasury 12¾pc '92‡‡	108½	−1⅛	12.03	11.82
93	75½	Treasury 10pc 1992	91⅜	−1	11.09	11.47
106	86¾	Exch. 12¼pc '92	104¼	−1⅛	11.90	11.80
108½	89¼	Treasury 12½pc '93‡‡	106¾	−1⅛	12.02	11.92
67¾	54⅝	Funding 6pc 1993‡‡	66⅜	−¾	9.09	10.66
118¼	98	Treasury 13¾pc 1993‡‡	116½	−1⅛	12.33	12.05
119⅝	98¼	Treasury 14½pc '94‡‡	117⅞	−1⅛	12.45	12.07
Over Fifteen Years						
107	87½	Exch. 12½pc 1994	105¼	−1⅛	12.04	11.95
88¼	72	Treasury 9pc '94‡‡	86¾	−1	10.80	11.29
105	85¼	Treasury 12pc '95	103¼	−1⅛	11.89	11.85
50⅜	42	Gas 3pc '90/95	49⅝xd	−½	6.02	8.94
93⅝	75⅝	Exch. 10¼pc 1995	91⅞	−1	11.43	11.67
112½	92¼	Treasury 12¾pc '95‡‡	110¾	−1⅛	12.05	11.92
84⅛	68⅛	Treasury 9pc '92/96‡‡	82⅝	−1	10.96	11.48
124¾	107⅞	Treasury 15¼pc '96‡‡	120⅝xd	−1¼	12.52	12.19
116¼	95⅜	Exchequer 13¼pc '96‡‡	114½	−1¼	12.11	11.95
49¾	41¾	Redemption 3pc 1986-96	48⅞	−½	6.16	8.80
113⅝	92¾	Treasury 13¼pc '97‡‡	111⅞	−1⅛	12.13	11.98
93¾	75⅜	Exchequer 10½pc 1997	92⅛	−1	11.55	11.72
82	66	Treasury 8¾pc 1997‡‡	80½	−1	10.98	11.40
66⅞	56	Treasury 6¾pc '95-98‡‡	65⅞xd	−1	10.25	11.09
125⅞	106⅜	Treas. 15½pc '98‡‡	124⅛	−1⅛	12.51	12.25
106⅞	86¾	Exch. 12pc 1998	105⅛	−1⅛	11.92	11.87
87⅞	71¼	Treasury 9½pc 1999‡‡	86⅜	−1	11.27	11.52
46¼	40⅜	Exch. 12¼pc £40pd. 1999	44⅞	−1¼	11.99	11.95
95¾	77⅝	Treasury 10½pc 1999	94⅝	−1	11.64	11.76
104½	84½	Exch. 12pc '99-02	102¾	−1⅛	11.96	11.94
115⅛	64¹⁄₁₆	Treas. 13¾pc 2000-03	113⅜	−1⅛	12.19	12.07
41¾	32½	Funding 3½pc '99-04	41	−½	8.70	10.06
109⅝	88⅛	Treasury 12½pc '03-05	107⅝	−1⅛	12.01	11.97
73¼	62	Treasury 8pc '02-06‡‡	71¾xd	−1	11.15	11.37
52¾	41⅞	Treasury 5½pc '08-12‡‡	51⅛	−1⅛	10.79	11.07
71¾	57⅞	Treasury 7¾pc '12-15‡‡	70¼	−1	11.27	11.36
106⅜	85¾	Exch. 12pc '13-'17	104⅝	−1¼	11.90	11.89
Undated						
35⅜	28½	Consols 4pc	34⅞	−¼	11.78	—
35⅞	28	War Loan 3½pc‡‡	34¼	−¼	10.43	—
38¼	33½	Conv. 3½pc '61 Aft.	37¾xd	−¼	9.28	—
26¼	22¼	Treasury 3pc 66 Aft.	25⅞	−⅛	11.59	—
23½	19½	Consols 2½pc	23⅛	−⅛	10.81	—
21⅞	18⅝	Treasury 2½pc	21½xd	−⅛	11.64	—

INTERNATIONAL BANK

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
85	80	5pc Stock '77-82	84	......	5.95	10.78

CORPORATION LOANS

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
96	89½	Birm'ham 9¾pc '79-81	95¾	......	9.66	11.34
92¾	85½	Bristol 7¾pc '79-81	92	......	8.42	11.39
103¾	95¼	G.L.C. 12½pc '82	103	−¼	12.11	11.23
104	93½	Do. 12½pc 1983	103¼	−½	12.11	11.53
94	86	Glasgow 9¼pc '80-82	93¾	−¼	9.87	11.39
94	90¼	Herts. 5½pc '78-80	93¼	−¼	5.58	11.00
97½	86	Liverpool 9¾pc '80-84	96½	−½	10.51	11.65
29⅝	24¼	Do. 3½pc Irred.	29	−½	12.26	—
87¼	79	Lon.Cp.6½pc '80-82	86¾	−¼	7.49	11.45
91½	83	Do. 9¼pc '84-85	91xd	......	10.17	11.24
89	82½	L.C.C. 5½pc '77-81	88¼	−¼	6.20	10.82
84	72	Do. 5½pc '82-84	82	−1	6.80	10.27
74½	62¾	Do. 5½pc '85-87	73	−1	7.71	10.87
72½	59¼	Do. 6¾pc '88-90	71½	−½	9.45	11.58
26	20½	Do. 3pc '20 Aft.	25½	−½	12.06	—
95	91¼	Middx. 5¼pc 1980	94¾	−¼	5.54	11.13
99⅝	93	Newcastle 9¼pc '78-80	97	−¼	9.54	11.51
101⅞	97¼	Warwick 12½% 1980	101¾	......	12.28	11.21

COMMONWEALTH & AFRICAN LOANS

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
97¼	93½	Aust. 5½pc '77-80	97¼	......	5.74	11.36
85½	81¼	Do. 5½pc '81-82	85¼xd	......	6.46	11.46
96	92¼	N.Z. 6pc '76-80	96	......	6.29	11.42
82¾	74½	Do. 7½pc '83-86	82¾	+⅛	9.31	11.55
94⅛	84¼	Sth. Africa 9½pc '79-81	89xd	......	10.58	14.37
70	43	Sth. Rhod. 2½pc '65-70	65	−3	—	—
105	81	Do. 6pc '78-81	97	−1	—	—

LOANS

Public Board and Ind.

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
65	56	Agric. Mt. 5pc '59-89	64½	−½	7.91	11.08
89½	75	Alcan 10½pc '89-94	89½	+½	12.28	12.60
30½	24½	Met. Wtr. 3pc 'B'	30	−½	10.09	11.96
129	118	U.S.M.C. 9pc 1982	120	......	7.71	—
95	87	Do. without Warrants	95	......	9.81	12.10
Financial						
103	98¼	FFI 13pc 1981	103	......	12.62	11.10
107	102	Do. 14pc '79	107	......	14.03	—
108¼	98¼	Do. 14pc '83	108	......	12.96	11.72
86	77½	ICFC 5½pc Deb. '80-82	84½xd	−½	6.50	11.00
83½	71½	Do. 6¼pcDb. '81-84	83½	+½	7.72	10.90
98½	84½	Do. 10½pc Uns.Ln. '86	98	......	11.00	11.50
98	84½	Do. 11pc Uns.Ln. '88	98	+½	11.57	11.80
100	84	Do. 11¾pc Uns.Ln. '90	99	......	12.23	12.40
71	57	Do. 7¼pcADeb. '89-92	70½	−½	10.70	12.10
66½	53½	Do. 7¼pcA Db. '91-94	65½xd	−½	11.06	12.30
79	64½	Do. 9pc 'A' '91-94	78xd	−½	11.53	12.20
76	62½	Do. 8¾pcLn. '92-97	76	......	11.94	12.40

FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
23	22	Antofagasta Rly.	22	......	—	—
40	39	Do. 5pc Pref.	40	......	—	—
98	96	Chilean Mixed	98	......	—	£3.10

BONDS & RAILS—Cont.

[illegible]

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 24% (based on US$2.0465 per £)

Conversion factor 0.6880 (0.6829)

CANADIANS

[illegible]

S.E. List Premium 24% (based on 2.3925 per £)

BANKS AND HIRE PURCHASE

[illegible]

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TINS

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COPPER

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MISCELLANEOUS

[illegible]

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
\$13¾	\$10½	Buffels R1	\$15⅝	–⅛	Q190c	♦	16.6
\$11⅞	890c	East Drie R1	\$10⅞	......	Q115c	1.6	12.1
470c	350c	East Rand Prp. R1	450c	–15	Q10c	—	2.6
\$24¼	\$18¼	F.S. Geduld 50c	\$23	......	Q515c	2.6	15.7
\$14⅝	\$11½	Pres. Brand 50c	\$14	+⅛	Q150c	3.2	12.4
\$14¼	\$10¼	St. Helena R1	\$12⅞xd	......	Q190c	1.4	17.0
595c	407c	Stilfontein 50c	550c	......	Q66c	♦	13.8
\$24¼	\$18¾	Vaal Reefs 50c	\$23⅛	–⅛	Q280c	2.7	14.0
\$35¼	\$28¾	West Drie R1	\$33	......	†Q385c	1.7	13.4
\$29½	\$22¼	\$29½	\$28¼	–⅛	Q415c	1.4	16.9
\$15	\$10½	Western Deep R2	\$11⅝	......	Q147½c	2.1	14.6

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim; reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♠ Regional price.
- II No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xC ex capital distribution.

"Recent Issues" and "Rights" Page 36

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	27½	......	Sheff. Refrshmt	78	......
Ash Spinning	107	......	Sindall (Wm.)	129	......
Bertam	27	+1			
Bdg'wtr. Est. 50p	375	+3	**IRISH**		
Clover Croft	28	......			
Craig & Rose £1	970	......	Conv. 9% '80/82	£91⅝	......
Dyson (R. A.) A	35	......	Alliance Gas	105	–5
Ellis & McHdy	68	......	Arnott	380	......
Evered	27	......	Carroll (P.J.)	109	–2
Fife Forge	54	......	Clondalkin	90	......
Finlay Pkg. 5p	21	......	Concrete Prods.	93	......
Graig Ship. £1	175	+10	Helton (Hldgs.)	60	–1
Higsons Brew	83	......	Ins. Corp.	220	......
Holt (Jos) 25p	269	......	Irish Ropes	105	......
I.O.M. Stm. £1	172xc	......	Jacob	33	......
Pearce (C. H.)	203	......	T.M.G.	245	......
Peel Mills	30	+1	Unidare	85	......

OPTIONS
3-month Call Rates

Industrials		I.C.I.	20	Unilever	55
A. Brew	7	"Imps"	9	U.D.T.	4
BOC Intl.	6	I.C.L.	40	Utd. Drapery	10
B.S.R.	8	Inveresk	7	Vickers	17
Babcock	14	KCA	4	Woolworths	6½
Barclays Bank	32	Ladbroke	18	**Property**	
Beecham	52	Legal & Gen.	14	Brit. Land	5
Blue Circle	18	Lex Service	9	Cap. Counties	7
Boots	18	Lloyds Bank	25	E.P.	3½
Bowaters	18	"Lofs"	5	Intereuropean	5
B.A.T.	28	London Brick	7	Land Secs.	20
Brown (J.)	50	Lonrho	9	MEPC	15
Burton 'A'	22	Lucas Inds.	25	Peachey	13
Cadburys	5	"Mams"	18	Samuel Props.	14
Courtaulds	10	Mrks. & Spncr	9	Town & City	2
Debenhams	8	Midland Bank	30		
Distillers	21	N.E.I.	14	**Oils**	
Dunlop	6½	Nat. West. Bank	25		
Eagle Star	10	Do. Warrants	15	Brit. Petroleum	[illegible]
E.M.I.	14	P & O Dfd.	8	Burmah Oil	[illegible]
Gen. Accident	21	Plessey	10	Charterhall	3½
Gen. Electric	52	R.H.M.	5	Shell	48
Glaxo	50	Rank Org.	25	Ultramar	24
Grand Met.	12	Reed Intnl.	16		
G.U.S. 'A'	30	Spillers	5½	**Mines**	
Guardian	24	Tesco	6		
G.K.N.	24	Thorn	22	Charter Cons.	16
Hawker Sidd	22	Trust Houses	27	Cons. Gold	17
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A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES

Thursday April 5 1979

Thousands mourn Bhutto

BY CHRIS SHERWELL IN RAWALPINDI

THOUSANDS OF people in Rawalpindi yesterday mourned the death of Mr. Zulfikar Ali Bhutto, Pakistan's former Prime Minister, who was hanged still protesting his innocence of the murder he had allegedly ordered while in power.

Mr. Bhutto was hanged in secrecy and haste early yesterday morning in Rawalpindi District Jail where he had been held for the last 10½ months.

President Zia-Ul-Haq, who had been appointed head of the army by Mr. Bhuto, sealed the fate of the man he deposed in a coup by rejecting a mercy plea for Mr. Bhutto in spite of last-minute appeals from the leaders of Britain, France, the Soviet Union, Sweden and the United Arab Emirates.

Mr. Bhutto was not allowed the customary 48 hours between rejection of the mercy plea and execution. He was hanged at 2.00 am local time, 2½ hours earlier than the time required by prison rules.

Initial reaction from Mr. Bhutto's supporters was one of stunned silence. People wept in their homes. In Lahore young men went on the rampage and smashed up cars.

Karachi was reported to be quiet. But in Rawalpindi a crowd defied martial law and gathered in a famous meeting place, at first to say prayers, later to shout opposition. Women wailed. "Death to Zia," they chanted. As the crowd grew, the police moved in and bricks were thrown.

Unexpectedly, the four men sentenced to die with Mr. Bhutto are still alive. Decisions on their mercy pleas are said still to be pending.

Mian Mohammed Abbas, Ghulam Mustafa, Arshad Iqbal and Rana Iftikhar Ahme, with two other men who turned State's evidence, were allegedly involved in the conspiracy to murder a political opponent of Mr. Bhutto, Mr. Ahmed Raza Kasuri.

In an ambush at a Lahore roundabout in November 1974, Mr. Kasuri's father died of bullet wounds in a car in which the two men were travelling. Mr. Kasuri claimed that he was the object of the attack and that Mr. Bhutto had instigated it. He brought a case against Mr. Bhutto shortly after he was deposed.

Last March Mr. Bhutto was found guilty by five judges in the Lahore High Court and sentenced to death. The Supreme Court divided four-three on appeal, with the minority finding Mr. Bhutto innocent. All seven judges later said arguments for a reduction of the majority's death sentence were relevant for General Zia's consideration when he exercised his prerogative of mercy.

In keeping with his own record on clemency and his promise to do whatever the courts ordered, General Zia ordered Mr. Bhutto to be hanged.

Mr. Bhutto's body was flown to Larkana, his home town in the Southern province of Sind, and buried in the presence of a few relatives and friends in the family cemetery at a village known as Ghari Bhutto, named after a great grandfather.

In another flouting of convention, Mr. Bhutto's second wife, Nusrat, and 26-year-old daughter Benazir, were not allowed to be present at the burial. Instead they remained under heavy guard at a police camp near Rawalpindi.

Mr. Bhutto spent the last 12 hours of his life alone, having seen Nusrat and Benazir for the last time on Monday afternoon. Mr. Bhutto's cousin and brother-in-law both tried to see him on the same day. When they arrived at the jail they banged on the door of the main gate for half an hour, before being told nothing was known about their appointment.

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BL Cars faces new strike threat

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BL CARS is threatened with a new outbreak of labour unrest that might influence the talks with Honda, of Japan, about a collaboration deal.

A call for an indefinite strike by the company's 8,000 skilled workers from tomorrow night was endorsed in Birmingham yesterday by the men's unofficial leaders.

At Rover, Solihull, car production was halted and 3,000 workers sent home because of a dispute about the door to a rest room. The company refused to fit a door to give more privacy during tea-breaks, and 167 men walked out.

Mr. Roy Fraser, who led the four-week toolmakers' strike at BL in 1977, said that 19 of the company's 34 plants would support renewed action.

The damage that the toolmakers might inflict is greater now that they have links with other skilled workers, such as electricians. However, union leaders were sceptical last night, that Mr. Fraser would gain sufficient support to make his strike effective.

Longbridge and Drews Lane, Birmingham, have rejected the call. Toolmakers at SU Carburettors, who struck for nine weeks last year, are also expected to remain at work.

Plants voting to support Mr. Fraser include the 11 Jaguar-Rover-Triumph factories, Cardiff, Speke, and Cowley, Oxford.

BL management, which has resolutely refused to concede separate bargaining rights to individual groups, seems unlikely to shift its position. The hope must be that support will be so patchy that any strike will quickly crumble.

Stocks of BL cars are likely to be enough to last through any short-term disruption. The management will probably point out to employees that action will merely delay moves towards parity of earnings, in which the skilled men are the main beneficiaries.

Outright opposition to links with the Japanese was expressed yesterday by the executive of the BL shop stewards' combine, which claims to speak for the 160,000 manual workers.

Mr. Derek Robinson, the combine's chairman, said that the Japanese, with their expanding imports, threatened vehicle assembly in the UK. Any deal with Honda would not stabilise but undermine employment in BL and its component suppliers.

Support for the talks, however, came in a statement from Mr. Roy Grantham, general secretary of APEX, the white-collar union. He argued that co-operation with Honda in producing a medium-sized car was "vital to the future of BL."

Alan Pike writes: Mr. Eric Varley, Industry Secretary, yesterday deplored the possibility of another strike in BL and urged unions to resume negotiations to try to agree with the company on parity and incentive schemes.

He told a delegation representing workers at Cowley that the main threat to BL's future would be failure to improve industrial relations. The last thing the company could afford would be another big strike.

Mr. Varley told the group, seeking assurances about Cowley's future, that nothing in BL's current talks with Honda would prejudice employment there. The aim would be to strenthen BL's position.

Greeks sign EEC pact on May 28

By Guy de Jonquieres, Common Market Correspondent, in Brussels

GREECE'S treaty of accession to the Common Market will be signed in Athens on May 28, paving the way for her admission as the tenth member of the Community on January 1, 1981.

This was agreed by the Foreign Ministers of Greece and the Nine in Luxembourg early yesterday, after they had sewn up the final substantive details of the entry negotiations conducted since summer 1976.

Greece had sought to advance her date of entry to July 1980. This request was rejected by the EEC, which wanted more time for Parliamentary ratification of the accession treaty after it was signed.

After several hours' hard bargaining in Luxembourg the Ministers agreed to a formula to ensure that Greece obtained net receipts from the EEC Budget in her first five years' membership of at least 1.5bn units of account (about £874m).

Net receipts would be 80m units of account in 1981, rising steeply in each of the next four years.

Greece is expected to remain a net beneficiary for some time after the end of her five-year post-entry transition period.

Sig. Lorenzo Natali, Commissioner responsible for EEC enlargement, said that on the basis of this year's EEC Budget Greece could look forward to net benefits immediately after transition of about 500m units of account annually.

He would not forecast whether similar concessions would be offered to Portugal and Spain, the other two candidates for membership, but it would be surprising if their Governments did not press for equally good terms.

These would increase pressure on the EEC's limited budgetary resources.

The Ministers agreed yesterday that Greek citizens should become eligible for full family allowances after three years' membership, regardless of where they lived in the Community.

Greece will be allowed a five-year transition period after entry in which to align herself with most EEC rules. She will have to wait seven years before Greeks are entitled to move freely round Community labour markets.

Mr. George Kontogeorgis, Greek Minister for EEC relations, said that his Government had committed itself to joining the European Monetary System five years after it entered the EEC.

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THE LEX COLUMN

What Amey means to Gold Fields

Index fell 1.5 to 523.8

It might make Cecil Rhodes turn in his grave but perhaps Consolidated Gold Fields should think of changing its name to the Consolidated Concrete Corporation. Despite the buoyancy of the gold price, it is the star performance at Amey Roadstone which continues to catch the eye.

Although many of its major markets are still depressed, Amey Roadstone's interim pre-tax profits have shot up from £14m to £19m and notwithstanding the recent industrial and weather problems, Amey's full year profits could rise from £31.7m to £37m. Given that Amey was only making £5½m in 1974-75 its progress since then (admittedly boosted by acquisitions) has been quite spectacular. Since Gold Fields has upset its shareholders in the past with its seemingly insatiable appetite for rights issues, it might decide to float off a chunk of Amey if it needs extra capital in future. The latter would probably command a market capitalisation of over £150m.

Compared with Amey, the performance of Gold Fields' other operations look slightly disappointing. First half pre-tax profits for the group have risen by a third to £45m. But there had been some suggestions that Gold Fields would top £50m, and the shares eased back 3p, to 216p, where they yield a fairly generous 7 per cent—2½ percentage points more than RTZ, for example.

Azcon, Gold Fields' main U.S. operation, showed a good profits recovery but the share dealing profits of £2.4m look rather small given that the group has over £200m worth of tradeable securities. For the full year, Gold Fields should be able to increase its pre-tax profits from £70m to £100m say, which would give earnings of over 30p per share. With luck there should be no repetition of the exceptional write-offs which have cost the group £33.5m over the last couple of years. However, the key question for investors now is what happens to Gold Fields' earnings in the 1980s. It has committed itself to pursuing growth in earnings per share.

Composites

Sun Alliance's profits for 1978 are only marginally higher at £59.5m pre-tax, but the outcome could have been a fair bit worse given its exposure to the troubled UK householders' business. And whereas some of the competition is saying that storm damage in the UK during the first few months of this year has been even more expensive than in 1978, Sun thinks that its figures will turn out to be not quite that bad.

Half-way through 1978, the group reported an underwriting loss of £10.5m. The loss for the year has been cut to £4.9m (against a £1.1m profit), and £4.6m of that arose in the UK. Extreme weather claims climbed to £8.5m, subsidence could still be costing as much as £3m, and the motor account lost perhaps £2m.

But for the bad start to 1979, Sun might have been climbing back into underwriting profits in the UK. Rate increases have helped to push premium income on the householders' lines up by nearly a quarter, and motor rates went up 14 per cent this month. As it is, underwriting losses could still be reduced in the UK, which would help to offset pressure elsewhere in the world. Pre-tax profits could rise by a tenth in 1979: meanwhile, the shares yield a well covered 5.9 per cent, and are supported by one of the strongest balance-sheets in the sector.

The outlook is rather less promising over at Phoenix, where a somewhat disappointing final quarter leaves overall profits just £1.7m higher at £37.6m pre-tax. The big question here is whether losses in continental Europe — currently running at £3.5m, or 5.7 per cent of premiums—can be contained. Phoenix is hopeful.

Composite shares generally performed strongly during the market upturn. But further relative strength seems rather unlikely ahead of the first quarter results.

Briden

Bridon wins every prize going for conservative forecasting. Having warned shareholders last May to expect no improvement in 1978 profits, and having shown itself only slightly more optimistic in September, it astonished the market yesterday with a 47 per cent increase pre-tax to £17.1m.

This is not quite the performance it seems, as £1.5m of the £5.5m rise comes from extraordinary items, mostly U.S. stock profits after an accounting change. Loss elimination accounts for much of the rest: the U.S. wire-rope and twine businesses, which lost £2.5m in 1977, were not far off break-even last year, and in the UK losses at Bridon wire—though still substantial—have been reduced.

The contribution from associates in the profit and loss account rose by £1.8m, while the dividends they paid Bridon were about £1m higher. Capital expenditure was cut by more than half from the exceptional 1977 level of £14.9m, leaving the group's gearing little changed after the deterioration of the previous year. But if the associates' share of reserves is stripped out of the balance sheet the underlying gearing is up again.

This year orders on the engineering side are rather sluggish, and Bridon may have to rely on further loss elimination, together with higher profits from associate interests in South Africa and Mexico, for growth. The shares, which jumped 13p to 139p after the results, yield 7.6 per cent on a p/e of 9.7, fully taxed and excluding the exceptional items.

Healey warns on company taxation

By Richard Evans, Lobby Editor

MR. DENIS HEALEY, Chancellor of the Exchequer, gave a clear warning to the City and industry yesterday that a Labour Budget in June would include increases in company taxation, as well as higher indirect taxes and cuts in some areas of public expenditure.

The Chancellor's suprise comments, coming after his deliberately neutral statement in the "caretaker" Finance Bill on Tuesday, will ensure that party intentions on taxation are in the forefront of the General Election campaign.

Mr. Healey confirmed in an interview on Independent Television News that he had been anxious to produce a Budget that would have increased tax thresholds and taken many people out of the tax net.

He added that he would have recouped the money "through various types of increases in company taxation, cuts in some areas of public expenditure which do not affect employment very much, and some increases in indirect taxation."

He could not be very specific, he said, because he hoped to be introducing such a Budget after the election.

The supposition is that one of the elements in any increase in company taxation would be a rise in employers' National Insurance surcharge.

Conservative leaders, as well as the Confederation of British Industry, could make this an election issue by pointing to the effect on industrial costs that it would have.

Tories planning quick tax cuts if they triumph at election

BY PETER RIDDELL

CONSERVATIVE leaders plan an immediate start to their tax cutting programme if they win the election. The Budget would probably be on either May 22 or June 12.

Both higher and basic rates of income tax would be reduced, though this would be only a first step towards larger cuts in the long-term. More complicated tax changes would be left until 1980.

An early Budget would also probably contain details of the promised programme of phased targets for a substantial reduction both in public sector borrowing and in the rate of growth of the money supply.

There has been considerable discussion within the Tory leadership about the priority to be given to cutting borrowing compared with tax reductions.

The immediate constraint is that the level of borrowing on the present Government's plans is seen by the Tories as far too high, while there are limits on making quick reductions in 1979-80 through either increases in indirect tax or cuts in public spending.

Consequently a Tory Budget might be able to offer no more than a modest step in reducing public sector borrowing in 1979-1980 with the hope that the markets would be reassured by the prospect of specific commitments about later substantial cuts.

The shadow Treasury team under Sir Geoffrey Howe and Mr. Nigel Lawson has been involved in continuous discussion with other opposition spokesmen on possible cuts in public spending.

If the Tories win the election, decisions could be taken quickly as part of the usual annual Whitehall expenditure review, but the main impact on expenditure would not be until 1980-81.

In the interim there could be some "once-and-for-all adjustments such as the sale of assets and switches in the method of financing certain transactions.

The shape of the Budget if Labour remains in Government would partly depend on the character of a new Chancellor if Mr. Healey was moved.

Richard Evans writes: Sir Geoffrey Howe, the shadow Chancellor, yesterday repeated his hope of reducing the basic rate of income tax as well as raising tax thresholds.

"We intend to follow a strategy which will produce very substantial reductions in income tax at all income levels, because if we are going to get this country producing more wealth then we have to increase incentives substantially."

State cash for Marathon rig

BY LYNTON McLAIN

THE GOVERNMENT is to subsidise the building of an oil rig at Marathon Shipbuilders' yard on the Clyde. The move will save more than 1,000 jobs, at least for the time being.

Without the order, which is expected to be confirmed by a consortium led by the British National Oil Corporation, work at the yard would have finished in three weeks. The order should provide work for the next 12 months.

BNOC will pay Marathon £11m for the rig, £1m less than the production cost, and the Scottish Office will provide £4m in aid.

In return, Mr. Bruce Millan, the Scottish Secretary, is to investigate the yard's long-term future. Options discussed with Marathon this week included outright nationalisation and diversification away from rig building as the yard has failed to find regular orders.

Talks at the Scottish Office in London had been deadlocked after Marathon refused the order at the £11m price BNOC was prepared to pay.

The offer fell short of Marathon's break-even requirement by £535,000 when talks opened in December but the gap had widened to £1m by this month.

Mr. Millan met Mr. Woodfin yesterday for the third time this week, and agreed to a formula under which Marathon will get £4m in aid. Details of the settlement have still to be resolved.

Earlier in the week, Mr. Eugene Woodfin, president of Marathon's U.S. parent company, had been demanding a simple formula by which the Government would waive all or some of the outstanding £3.6m of Government loans held by the company as well as the Government accepting the losses if the rig was built at BNOC's price of £11m.

Continued from Page 1

GATT

said last night he was disappointed that the concessions had been made, but was pleased that the Government had made efforts to ensure that the tariff reductions would be phased over a longer period than at first feared.

On textiles, the U.S. tariff could be cut by 30 per cent, and on knitted sweaters from 42 to 17 per cent. The EEC textile tariffs would be cut by 27 per Dutton.

Mr. John Smith, the Trade Secretary, said that although Britain emerged with an advantage in wool and a disadvantage in man-made fibres, the textile industry now had "the best protection it has ever had."

Continued from Page 1

State yard losses

would be £47m was now "being revised daily." He could not give an up-to-date figure.

Mr. Kaufman denied that his proposals, none of which would be binding on an incoming Conservative Government, were made with an eye on the election. The announcement was the result of more than four months' ministerial discussion.

He also defended past subsidies to the industry, saying that overseas aid deals related to ships would continue and claimed that last year's controversial £115m Polish ship deal had "saved the British merchant shipbuilding industry."

Without such Government assistance, 14 shipyards would already have closed, with the loss of 19,300 jobs.

Details of yesterday's package have been sent to the EEC Commission, which is trying to reduce Government support for the Community's shipyards.

Mr. Kaufman said he hoped the Commission would consider the package as "realistic."

British Shipbuilders last night welcomed the announcement, but pointed out that a 3½ per cent market share in the next year would represent a much smaller output than in recent years.

The corporate plan would "enable the essential core of the industry to be sustained in the period of reconstuction," during which efficiency was being improved. Since vesting day, 5,000 men had left the industry.

Paperback book sales up by 11%

THE 13 leading paperback publishers in the UK sold 120.8m books, representing a total turnover of £52m last year, an 11 per cent increase on the 1977 figure and an increase in real prices of 18.1 per cent.

Figures issued by The Publishers' Association show that adult book sales of 98.7m were 11.8 per cent better than in 1977, whereas children's book sales increased by 2.7 per cent to 21.1m. The respective sales increases of adult and children's books represent growth at current price levels of 29.9 and 16.2 per cent on 1977, a 28 per cent increase overall.

Weather

UK TODAY

MAINLY cloudy with outbreaks of sleet or snow. Bright intervals later. Max. 9C (48F).

London, S.E. Cent., S. England
Outbreaks of sleet or snow. Brighter later.

E. England, Cent. N. England, S.W. England, Channel Isles
Cloudy with sleet or snow at first. Bright intervals. Fog in places.

Wales, N.W. England, S.W. Scotland, Ulster, Cent. Highlands, N.E. Scotland
Cloudy with occasional sleet or snow.

N.W. Scotland, Orkney and Shetland
Bright or sunny periods and scattered wintry showers.

● Outlook: Showers or longer outbreaks of rain or snow.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	14	57	Locarno	S	13	55
Algiers	F	18	64	London	R	6	43
Amsdm.	C	5	41	Luxmbg.	C	4	39
Athens	S	18	64	Luxor	S	38	100
Bahrain	S	29	84	Madrid	C	11	52
Barclna.	F	15	59	Majorca	F	16	61
Beirut	C	19	66	Malaga	C	17	63
Belfast	F	6	43	Malta	S	18	64
Belgrd.	S	18	64	M'chstr	C	5	41
Berlin	F	11	52	Melbne.	S	17	63
Biarritz	C	8	46	Mex. C.	S	21	70
Bmghm.	F	4	39	Milan	S	13	55
Blackpl.	C	5	41	Mntreal.	C	5	41
Bordx.	F	11	52	Munich	F	6	43
Boulgn.	F	6	43	Nairobi	C	21	68
Bristol	F	6	43	Naples	C	14	57
Brussels	C	4	39	Nwcstl.	C	5	41
B. Aires	C	15	57	N. York	R	6	43
Cairo	C	26	78	Nice	F	14	57
Cardiff	S	7	45	Nicosia	C	17	63
Cas'b'ca	S	17	63	Oporto	C	10	50
Cape T.	C	22	71	Oslo	Sl	2	36
Chicago	Sn	4	39	Paris	C	6	43
Cologne	C	6	43	Perth	C	21	70
Conhgn.	S	9	48	Prague	C	7	45
Corfu	C	16	61	Reykjvk.	F	1	34
Dublin	F	5	41	Rhodes	F	18	64
Dbrvnk.	C	13	55	Rio J'o	S	29	84
Ednbgh.	F	6	43	Rome	S	15	59
Faro	R	14	57	Salzbrg.	C	4	39
Florence	F	14	57	Singapr.	S	23	74
Frankft	C	8	46	Stckhm.	C	6	43
Funchal	S	19	66	Strasbg.	F	10	50
Geneva	C	6	43	Sydney	S	33	91
Gibrltr.	F	17	63	Tangier	C	16	61
Glasgow	F	6	43	Tehran	S	27	80
G'nsey	F	4	39	Tel Aviv	F	20	68
Helsinki	C	2	36	Tenerife	S	15	59
H. Kong	C	16	60	Tokyo	S	14	58
Innsbrk.	C	7	43	Toronto	S	4	39
Invrnss.	F	8	46	Tunis	F	20	68
I.o.Man	C	5	41	Valencia	C	16	61
Istanbul	C	12	54	Venice	F	13	55
Jersey	F	5	41	Vienna	S	14	57
Jo'burg	S	26	78	Warsaw	F	11	52
L. Plms.	F	19	66	Zurich	F	9	48
Lisbon	R	13	55				

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

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